

Trade, OPT and Gas Division Agreements

between

**Detroit Edison, MichCon,
DTE Energy Corporate Services, LLC**

and

Local 223

**Utility Workers Union of America
Affiliated with the AFL-CIO**

2010 - 2013

DTE Energy®



Agreement

Between

THE DETROIT EDISON COMPANY,
MICHIGAN CONSOLIDATED GAS COMPANY,
DTE ENERGY CORPORATE SERVICES, LLC.

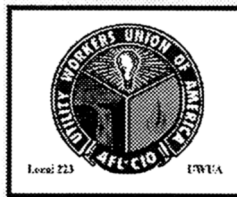
And

TRADES, OFFICE PROFESSIONAL AND
TECHNICAL
AND GAS AGREEMENT

LOCAL UNION NO. 223

of the

UTILITY WORKERS UNION OF AMERICA



Affiliated with the

AFL-CIO

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TRADE, OFFICE PROFESSIONAL AND TECHNICAL and GAS AGREEMENT

This Trade, Office, Professional and Technical and Gas Agreement, entered into **June 7, 2010**, between the Detroit Edison Company, Michigan Consolidated Gas Company, Detroit District, and DTE Energy Corporate Services LLC hereinafter referred to as the “Company”, and Local No. 223 of the Utility Workers Union of America, AFL-CIO, hereinafter referred to as the “Union”, representing certain employees in the Company, sometimes hereinafter referred to as “employee” or “employees”, superseding and supplanting any and all written or oral collective bargaining agreements heretofore entered into between the parties covering those employees,

WITNESSETH:

WHEREAS, the Company is engaged in furnishing essential public services which vitally affect the health, safety, comfort, and general well-being of the public; and

WHEREAS, the existence of the Company is dependent upon the faithful carrying out of its responsibilities in serving the public; and

WHEREAS, the mutual responsibility of both the employees and the Management of the Company to the public requires that any disputes arising between the employees and the Management be adjusted and settled in an orderly manner without interruption of said service to the public; and

WHEREAS, both parties hereto recognize this mutual responsibility of service to the public; and

WHEREAS, the Company and the Union agree that one of the purposes of this Agreement is to provide a fair day’s work in return for a fair day’s pay; and

WHEREAS, both parties hereto desire to enter into an Agreement which will eliminate any reason for strikes, stoppages of work, or lockouts during the term of this Agreement and during any period while negotiations are in progress between them for any change or renewal of this Agreement,

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and agreements hereinafter contained, it is agreed that:

Article 1

RECOGNITION

Section 1.1 *Bargaining Units*. a. The Company recognizes the Union, (1) as certified in the following numbered representation cases before the National Labor Relations Board, Region VII, and, (2) as ordered by the same authority in clarification case VII-UC-17, (3) regarding certain employees of the Production Bargaining Unit as defined in Attachment D of the 1995 Agreement (also referenced the 1995 Agreement for identification of the previous individual Power Plant Bargaining Units, the Central Heat Bargaining Unit, the Power Plant Supply Group from the Stores Bargaining Unit and the Maintenance Bargaining Unit which were combined to form the Production Bargaining Unit), and (4) regarding certain employees of the Fermi 2 Bargaining Unit as defined in Attachment D of the 1995 Agreement and (5) classifications listed in Attachment A (OPT Election/Recognition history), and (6) the Gas Bargaining Unit under the Classification of Work and Wages, forming a part hereof, in the Customer Service Department, Distribution Operations, Meter Reading, Metering, Property Operation and Maintenance, Property Maintenance Operations, Field Service Operations, Stock and Transportation Departments or Divisions of its Detroit District, Credit and Collection, Corrosion in State-wide operations and Transmission and Storage Operations Division as the exclusive collective bargaining agent in all matters of wages, hours, working and other conditions of employment for all employees constituting the respective separate bargaining units listed in Section 1 .1b, except as hereinafter provided.

b. (For The Trade) — This Agreement covers all employees of the Company in the respective separate bargaining units listed below, sometimes hereinafter referred to for convenience as “departments”, excluding in the Facilities Management and Services the employees of the Crane and Elevator Division, and excluding in all such bargaining units all student engineers, training personnel, assistant foremen, foremen, guards, technical, clerical, part-time, temporary, seasonal, and supervisory employees:

<i>Bargaining Units</i>	<i>Certification Case No.</i>	<i>Date</i>
Construction – WSC Shops (as combined with Bellevue Service Shops [VII-RC-3510, 6/19/57] and amended 2/17/60)	VII-R-1452	06/17/43
Electrical System Substations	VII-R-1174	02/04/43
Facilities Management & Services (formerly Buildings & Properties)	VII-R-1451	06/30/43
Fermi 2 Power Plant*	VII-RC-9224	06/15/72
Gas Division (as shown in the Gas Bargaining Unit Classification of Work and Wages)		
Meter	VII-RC-8953	06/24/68
See Amendment No. 1 To Agreement Dated June 10, 1993		
Office Professional and Technical (as shown in the OPT election/ Recognition history in attachment A)		
Motor Transportation**	VII-R-1481	07/26/43
Power Generation* – by mutual agreement of the parties		01/01/97
Stores**	VII-RC-2131	06/05/53
Underground Lines	VII-R-1295	06/11/43

* Reference Section 1.1 above

**Consolidated into Stores and Transportation Department 11/1/62

c. (For those listed in attachment “A” OPT Election/Recognition history) Since the original elections and mutual recognitions referenced in Attachment A, the parties have occasionally agreed to change job titles and/or to create new job descriptions from existing classifications. Therefore, the Company also recognizes the Union as the exclusive representative in matters of wages, hours and working and other conditions of employment for all employees in those classifications listed in Attachment B (OPT Wage Rate Schedule) to this Agreement.

Section 1.2. *Consolidation of Agreements.* All of the provisions of the agreements between the Company and the Union covering the employees in each of the above listed respective separate bargaining units have been consolidated into this one Agreement for the convenience of the Union and the Company. It is specifically agreed that the consolidation of all of these provisions covering the separate bargaining units into this one Agreement in no way changes the separate status of the separate bargaining units.

Section 1.3. *Application of Provisions.* Unless the context otherwise clearly indicates, all provisions of this Agreement shall apply to all employees covered by this Agreement. During the 2004 bargaining the parties agreed to combine the Trade, OPT and Gas contract agreements. It is not the intent of the parties to make any changes in this combination of agreements unless, specifically agreed. Therefore if any discrepancies occur during the 2004 agreement, the parties will refer to the 1999 Trade/OPT or 2000 Gas agreement for the appropriate interpretation.

Section 1.4. *Agency Shop.* All employees covered by this Agreement, who at the time of signing this Agreement are members of the Union in good standing, or shall hereafter become members of the Union, shall remain members in good standing for the term of this Agreement as a condition of employment, except as otherwise provided herein. After the signing of this Agreement, when employees are first employed in a classification covered by this Agreement they must, as a condition of employment, arrange within their first thirty (30) days of such employment to either (1) become a member of the Union in good standing, or (2) to make payments (hereinafter referred to as substitute payments) to the Union of amounts equal to the uniformly required monthly dues they would have paid if they were members. The term “substitute payments” shall not include initiation fees which are not required of a non-member. The failure of employees to (1) maintain their membership in the Union in good standing or (2) to make

substitute payments shall result in their discharge unless membership was terminated for reasons other than failure of the employees to tender initiation fees and periodic dues uniformly required as a condition of acquiring or retaining membership. An employee may resign from membership by sending notice thereof in writing to the President of the Local Union by registered mail, return receipt requested.

Section 1.5. Assignment and Authorization for Deduction of Initiation Fee, Dues, Substitute Payments, COPE & P.A.C. Fund Contributions, and Assessments.

a. The Company will, hereafter, with respect to each employee who has individually and voluntarily authorized such deduction in writing in a form acceptable to the Company, deduct from the wages due an employee his/her membership dues or substitute payments, including:

- (1) A duly authorized uniform initiation fee assessed by the Union.
- (2) Duly authorized membership dues (including such general assessments as may be a part thereof) levied by the Union.
- (3) Substitute payments.
- (4) Committee on Political Education (COPE) & P.A.C. Fund Contributions.

Any such authorization may be revoked at any time by the employee sending notice to the Paymaster of the Company by registered mail, return receipt requested. The Paymaster will promptly notify the Union of any such revocation by forwarding a copy of the revocation. As a convenience, the Company will continue to deduct dues of an employee transferred to a classification not covered by this Agreement during his/her trial period of six (6) months. The authorization will be automatically canceled when employment in the Company is terminated for any reason, or six (6) months after an employee is so transferred. If such an employee returns to a bargaining unit during the term of this Agreement, he/she must, within thirty (30) days thereafter, again become and remain a member of the Union in good standing.

b. The Company will remit to the Treasurer of the Union by the 10th day of each month the dues, substitute payments, COPE contributions, initiation fees, and general assessments deducted from employees' wages in the preceding month. If no pay is due an employee, or if for some other reason deductions are not made at the agreed times, the Company will attempt to make the overdue deductions later in the same month, if possible, after which the Company will not be responsible.

c. Duly authorized and uniform initiation fees, substitute payments, COPE contributions, and dues (including such general assessments as may be a part thereof) shall be in the amounts certified in writing to the Company over the signature of two (2) officers of the Local Union.

Section 1.6. *Successor Agreements.*

a. Successor Clause

(1) Internal Sale or Transfer — In the event the Company changes ownership of all or a part (i.e., a part employing permanent, full-time bargaining unit employees) of its existing corporate operations by the sale or transfer of such operations to an existing or a newly created subsidiary or corporate affiliate, the applicable Collective Bargaining Agreements shall be binding on any such subsidiary or affiliate.

(2) External Sale or Transfer — In the event the Company sells, or otherwise divests itself of all or a part (i.e., a part employing permanent, full-time bargaining unit employees) of its corporate operations in any transaction where the collective bargaining agency and the rights of Union represented employees are or may be affected, the transaction will be conditioned on the purchasing entity agreeing to recognition of Local 223 and, at a minimum, assumption of the arbitration, seniority, job retention, wage, benefit and pension provisions of the then existing Collective Bargaining Agreements. Such purchaser and the Union will negotiate to retain and/or modify other existing applicable Agreement provisions, and any other matters appropriate for such negotiations. Any disputes regarding which terms, if any, of such Collective Bargaining Agreements are not applicable must be resolved between the Union and the new or restructured entity by arbitration. It is the intention of the Company and the Union that such disputes be resolved expeditiously. Prior to closing, the Company will furnish

Local 223 a minimum of 60 days notice of any transaction covered by the provisions of (1) and (2) above.

(For the Trade and OPT Bargaining Units)

b. Worker Transition Program — The Company commits to developing jointly with Local 223 an industry worker transition program which shall provide skills upgrades, apprenticeships and training programs, voluntary separation packages consistent with reasonable business priorities, and job banks to coordinate and assist placement of Local 223 members into comparable employment at no less than their current wage rates and current or substantially equivalent fringe benefits. It is the Company's further intention to seek recovery of the cost of such worker transition programs as a transition cost as permitted by applicable restructuring legislation and MPSC restructuring orders.

c. Future Employment — In the event the Company, DTE Energy and/or any DTE affiliates, purchases or merges divisions, business units, or generating stations or generating units with any entity in the electric utility business anywhere in the United States, and additional employees are required, the Company shall offer employment to members of Local 223 who are qualified, but have been displaced from employment at Detroit Edison, provided that such employment offer is consistent with any then existing labor agreement covering the acquired or merged facility or business unit. In the event that DTE Energy acquires or merges with an entity where the employees are not represented by a Union, the Company and Local 223 agree to conduct themselves in any Union representation elections pursuant to the Memorandum of Understanding between the parties regarding Union representation elections.

d. Duration of Successor Agreement Selection (For Trade, OPT, and Gas) — This Successor Agreement Clause does not diminish the wages, hours working or other conditions of employment under existing or successor collective bargaining agreements. Also, this Successor Agreement Clause does not alter the rights and responsibilities of the parties in negotiations for successor collective bargaining agreements, except that the pro-

visions of this clause will continue in effect until January 1, **2014** unless changed by mutual agreement.

Article 2

JOINT RESPONSIBILITIES

Section 2.1. *No Strike - No Lockout.* It is agreed by and between the parties hereto that there will be no concerted failure to report to work, cessation or interruption of work, slowdown, strike, picketing, or lockout during the term of this Agreement, or during any period of time while negotiations are in progress between the parties hereto for the continuance or renewal of this Agreement. The Company agrees, as part of the consideration of this Agreement, that neither the National Union, the Local Union, its officers, nor agents shall be liable for damages for unauthorized stoppages, strikes, intentional slowdowns, or suspensions of work in the respective bargaining units covered by this Agreement, if:

a. The Union gives written notice to the Company as soon as possible, in any event within eight (8) hours after notification by the Company, copies of which notice by the Union shall be posted immediately by the Union on the bulletin boards, that it has not authorized the stoppage, strike, slowdown, or suspension of work; and if

b. The Union further cooperates with the Company in getting the employees to immediately return and remain at work. It is recognized that the Company has the right to take disciplinary action, including discharge, against any employees who engage in any unauthorized stoppage, strike, intentional slowdown, or suspension of work, subject to the Union's right to present a grievance on such discipline in accordance with Articles 4, 5, and 6 of this Agreement.

Section 2.2. *No Coercion.* Neither the Company nor the Union shall interfere with, restrain, or coerce employees either to join or refrain from joining the Union.

Section 2.3. *Fermi 2.* Both the Union and Management recognize that the Company's ability to meet its obligation to employees, investors, and the general public is directly dependent upon the safe and continuous operation of Fermi 2, the Company's only nuclear plant. Recognizing this, both Management and Union agree that every effort should be made to assure

continued, successful operation of Fermi 2. To accomplish the same, the Union and Management agree that during the period following contract expiration and the effective date of a new contract, the Union will give the Company 48 hours' advance written "notice of intent to strike" at Fermi 2 except that, from two weeks prior to the start of an outage associated with fuel reload through two weeks following the end of such an outage, or during any other major outage, the Union will give the Company seven days' advance written "notice of intent to strike" at Fermi 2 and employees will remain at work until properly relieved. If the Company relieves employees during any such notice period, the employees will be paid for all lost time from their regularly scheduled hours from time of relief to the expiration of said notice period. Further, the Union, its officers, agents, and members agree they will not sanction, condone, or participate in any unlawful picketing activity at the Fermi 2 plant. The Union further agrees that all Fermi 2 Local 223 represented employees will cross any picket lines at Fermi 2 until the expiration of the said 48 hour or seven day notice period.

Article 3

RESPONSIBILITIES OF THE MANAGEMENT

The Company shall have the right to exercise customary and regular functions of Management, including the right to hire, promote, transfer, or to suspend, discharge, or demote employees for just cause; subject, however, to the employee's right to bring a grievance if any provision of this Agreement is violated by the exercise of such Management functions.

(For the Gas Division) Company's Responsibilities — The Management of the Company's operations and the direction of the working force remain the sole and exclusive rights and responsibilities of the Company: including, for example, the authority to hire, promote, suspend and discipline employees; to discharge employees for cause and to discharge probationers as outlined under Gas addendum Article 7.27 (1); to adjust the working force; to determine the extent and schedule of its operations; and to introduce new or improved methods and processes or facilities. The Company agrees that it will notify the Union, for information purposes only, of changes in departmental operations, methods, processes or facilities which permanently increase or decrease the working force or which create the

need for skills not covered by the then present classifications, and it will discuss with the Union modifications in classification to include the needed skills. In exercising its Management responsibilities, the Company will comply with the terms and conditions of this Agreement and will not discriminate against any member of the Union.

Article 4

GRIEVANCE PROCEDURE

Section 4.1. *Union and Company Representatives.* The Union will furnish the Company with the names of its duly appointed or elected representatives and their alternates, and members of its Grievance Committee in each bargaining unit (and such changes as may occur from time to time in such personnel), within five (5) days of their appointment or election, so that the Company may at all times be advised as to the authority of the individual Union representatives with whom it may be dealing. Likewise, the Director of Human Relations will furnish the Union the names and/or titles of the President's Delegate by Business Unit and Company officials designated to settle or decide grievances at Steps 1, 2 and 3 as set forth below.

Section 4.2. *Grievances.* a. *(Step 1) Discussion with Immediate Supervisor.* Should any disagreement arise between any employee or employees covered by this Agreement and the Company, it shall be deemed a grievance. It shall be discussed by the employee or employees and his/her or their immediate supervisor, either personally, or with or through his/her or their Union representative. **If the grievance cannot be settled by discussion it will be reduced to writing promptly, and in a clear manner. The grievance will be immediately assigned a grievance number. If the written grievance is not so submitted within twenty (20) days (exclusive of Saturdays, Sundays, and holidays) of the action of the Company causing the disagreement, it will be considered to no longer exist.** (If the disagreement involves the issuance of an Oral Reminder or a Written Reminder, the discussion will also include at least the second line supervisor.) If not resolved at this discussion stage, these disciplinary issues may go directly to Step 3. If a grievance involves allegations of harassment or discrimination it may proceed directly to Step 3. No grievance that has been discussed with or through a Union representative will be adjusted unless a Union representative is present or has been offered the opportunity to be present. The immediate supervisor will have ten (10) days exclusive of

Saturdays, Sundays and holidays from the date the grievance is first **submitted** to provide a **written** answer to the grievant and/or Union representative. If such an answer is not given within the required ten (10) days, the grievance may be appealed to Step 2 without a **written** answer from the immediate supervisor. It is understood that all settlements and/or answers at this discussion level are without prejudice or precedent to the Company or the Union and either party may take an entirely different position if the grievance is appealed to Step 2. It is further understood that no employee will leave work for the purpose of discussing a grievance without first obtaining permission from his/her supervisor and being properly relieved. The Company, except as otherwise agreed, will pay not more than one aggrieved employee and one Union representative for time necessarily lost from regular working hours while discussing such grievance with the supervisor.

b. *Step 2. Interest Based Bargaining Meeting (IBB)* If the grievance is not settled **at Step 1, the Union will have (20) days (exclusive of Saturdays, Sundays, and holidays) to appeal the grievance to Step 2. If the Union does not appeal within (20) days (exclusive of Saturdays, Sundays, and holidays) the grievance, will be considered to no longer exist.** In addition to the times mutually agreeable by the parties IBB meetings will be scheduled every Thursday.

The Company official so designated to whom the Step 2 grievance is presented, or someone delegated by the Company official with authority to settle or decide the grievance shall, unless otherwise agreed to by the Union, **shall** convene a Step 2 meeting of the parties within twenty (20) days (exclusive of Saturdays, Sundays and holidays) of receipt of the written grievance. Using the Interest Based Bargaining (IBB) process, the parties will make a good faith effort to resolve the grievance at this Step 2 meeting. Labor Relations **may** facilitate these Step 2 discussions and will record the resolution reached by the parties.

It is understood that, unless otherwise agreed to in writing, all settlements and/or answers at Step 2 are without prejudice or precedent to the Company or the Union and either party may take an entirely different position if the grievance is heard at Step 3.

c. *Step 3. President's Delegate Hearing.* If the resolution is not reached at Step 2, the Secretary or the President of the Local Union may, within twenty (20) days (exclusive of Saturdays, Sundays, and holidays) after the

date of the IBB session submit the grievance in writing to the President's Delegate with full power and authority to settle or decide the grievance. If the grievance is not so submitted to the President's Delegate within such twenty (20) days, it will be considered to no longer exist. A Step 3 hearing will be scheduled at the earliest mutually agreeable time. Unless otherwise agreed, such a Step 3 hearing will take place within **thirty (30)** calendar days of the Union's appeal to Step 3. The President's Delegate will have **five (5)** days (exclusive of Saturdays, Sundays, and holidays) from the end of the last Step 3 meeting to mail to the Local Union office and the Bargaining Unit Chairperson, his/her decision in writing, unless the time is waived or extended by the Union. Provided, however, that if a stenographic transcript is made of the Step 3 meeting or meetings, the last meeting will be considered to have been held on the day such transcript is placed in the hands of the President's Delegate.

Section 4.3. *Arbitration of Grievances.* If the Union is not satisfied with the decision of Management at Step 3 of any grievance which concerns the meaning or application of the terms of this Agreement, then the Union may submit such grievance to arbitration in accordance with Article 5 within **sixty (60)** calendar days after the mailing by the Company to the Local Union office of the decision of the President or the President's Delegate at Step 3. Any such grievance not so submitted to arbitration within **sixty (60)** calendar days will be considered to no longer exist. Grievances which do not concern the meaning or application of the terms of this Agreement may not be submitted to arbitration, and will be considered to no longer exist. The question of whether a grievance is subject to arbitration may be arbitrated.

Section 4.4. *Persons Present.* Either of the parties may have present at the meetings provided for in the foregoing steps, any person or persons they may consider necessary to the proper consideration and settlement of the grievance. It is understood that, except as otherwise specifically agreed to in writing by the Company, not more than three (3) employees of the Union's choosing shall be paid by the Company for the time lost from their regular working hours while attending, Step 2 and Step 3 hearings and for one (1) employee while attending arbitration.

Section 4.5. Step 3 Digital audio recording/Stenographic Transcription. The Company will make an audio recording of each meeting held at Step 3, utilizing a digital audio recording device, and shall provide, at its expense, stenographic transcripts of such meetings in all cases (i) involving a Decision Making Leave (DML) or discharge,

(ii) where the Union, by its President, makes a written request to the Director of Human Relations, not to exceed twelve (12) in any calendar year, and (iii) where a case is submitted to arbitration under either Section 4.3 or Article 6 herein. As it pertains to (i), a stenographer shall be present at the Step 3 meeting and prepare a contemporaneous transcription. With respect to (ii) and (iii), transcriptions shall be made from the Step 3 meeting audio recording. The Company shall furnish transcripts to the Union within 30 days, unless otherwise agreed, of either the Step 3 meeting, the Union's petition for arbitration, or upon the Union's request, as applicable in (ii) above. When there is a request by the President of the Union for said transcripts, such request must be made within fifteen (15) days (exclusive of Saturdays, Sunday and holidays) of the date of President's Delegates Step 3 decision. In these instances, the sixty (60) calendar days for appeal for arbitration shall commence with the mailing by the Company of the transcript. In all other cases, the Company shall provide the Union a copy of the audio recording within 5 days of the Step 3 meeting.

Article 5

ARBITRATION

Section 5.1. *Submission to Arbitration.* Any grievance which may be submitted to arbitration under the provisions of either Section 4.3 or of Article 6 may be so submitted within the time limits therein provided by requesting the American Arbitration Association in writing to select an arbitrator in accordance with its voluntary labor arbitration rules and sending a copy of such request by certified mail **or email** within such time limits, addressed to the Company to the attention of its Director of Human Relations at **One Energy Plaza**, Detroit, Michigan 48226.

Section 5.2. *Appointment of Representatives.* At the start of the arbitration hearing, each party shall appoint a representative who will be available to meet with the arbitrator after the hearing. Such post arbitration meetings, if any, shall be called at the discretion of the arbitrator and both the Union and Management representative will be present.

Section 5.3. *Hearing and Decision.* All proceedings before the arbitrator shall be conducted in accordance with the voluntary labor arbitration rules of the American Arbitration Association. The decision of the arbitrator upon any question permitted by this Agreement shall be final and binding upon both parties.

Section 5.4. *Power of an Arbitrator.* No arbitrator shall have the power to change any of the provisions of this Agreement.

Section 5.5. *Expenses of Arbitration.* The fees and expenses of the arbitrator, the stenographic record, and similar incidental arbitration expenses shall be shared equally by the parties hereto.

Article 6

GRIEVANCES IN DISCHARGE, SUSPENSION, DECISION MAKING LEAVE, AND DEMOTION CASES

Unless otherwise agreed between the Company and the Union, prior to the discharge, suspension, decision making leave (DML), or demotion for cause of an employee, the Company will conduct a fact finding meeting with the Chairperson of the bargaining unit or, Acting Chairperson, or the Chairperson's designee. (See also Section 8.31 regarding the Supervisor's obligation to provide Union representation under other circumstances involving Positive Discipline.) Unless otherwise agreed between the Company and the Union, the Company will prepare and submit to the Union minutes of the fact finding meeting. Unless otherwise agreed between the Company and the Union, if an employee is discharged, suspended, given a DML, or demoted for cause, the Union shall be notified of such action promptly in writing by the Company. Notice will be addressed to the Local Union President and a copy mailed to the Chairperson of the bargaining unit in which the employee was working, or in the Chairperson's absence the Vice Chairperson or Chief Steward. If the employee is not probationary, the employee or the Union may, within twenty (20) days (exclusive of Saturdays, Sundays, and holidays) of notice to the Union, file a written grievance directly with the President of the Company to protest such action without taking the preliminary steps of the grievance procedure set forth in Section 2 of Article 4. It is recognized that such a grievance should be heard at the earliest possible time and take precedence over grievances of a different nature. Therefore, such employee shall have the right to a prompt hearing on such charges before the President of the Company or the President's Delegate, with full power and authority to sustain or alter the severity of the discharge, suspension, DML, or demotion, or to otherwise settle the grievance. The President of the Company or the President's Delegate shall report his/her decision in writing, mailed or delivered to the Local Union office within five (5) cal-

endar days after the conclusion of such hearing. However, if a stenographic transcript is made of the hearing, the conclusion of the hearing will be considered to be the day such transcript is placed in the hands of the President of the Company or the President's Delegate. If the Union is not satisfied with the decision of the President or the President's Delegate, the Union may submit such grievance to arbitration in accordance with Article 5 hereof within sixty (60) calendar days after the date of mailing by the Company to the Local Union office of the decision on such grievance. If not so submitted within such sixty (60) calendar days, the grievance shall be considered to no longer exist. If so submitted to arbitration within sixty (60) calendar days, the power of the arbitrator shall be limited to either upholding the disciplinary action as stated in the decision of the President or the President's Delegate or vacating such disciplinary action. If the arbitrator vacates a discharge, DML, suspension, or demotion, the arbitrator shall order the employee returned to his/her former job with full seniority and compensation for all time and wages lost. The discharge, suspension, DML, or demotion of a probationary employee shall not be the subject of a grievance or arbitration.

(Gas Division Only) Just Cause for Discharge – Without excluding other causes for discharge, the following shall constitute just cause from which there shall be no appeal except to determine the validity of the charge, to negotiation or arbitration between the Company and the Union; namely drunkenness or illegal use of drugs, dishonesty in conduct involving theft of money or property, failure to obey a direct order, direction of violent verbal abuse or physical attack toward supervisory personnel, and willful damage to Company property and business.

(Gas Division Only) Disciplinary Warnings – When an action by an employee is such as to result in a supervisory warning, which may in the future be used in considering more severe disciplinary action, such warning shall be in writing, and one (1) copy of such written warning shall be given to the employee and two (2) copies of such written warning shall be delivered or mailed to the Union office within twenty (20) calendar days after the Company's first knowledge of the occurrence. One copy of the warning will be noted by the Union Grievance Committee and returned to the Company and a written warning given to an employee after such twenty (20) day period shall be a nullity.

Article 7

SENIORITY

(This article pertains to Trade and OPT only)
(For the Gas Division see Article 7 of Gas Addendum)

Section 7.1. *Service Defined.* Length of employment in the Company (including the length of all previous periods of employment in the Company) shall be known as “service”. Benefits, such as, CTO pay during absence, pension, and (For those listed in attachment “A” OPT Election/Recognition history) - Voluntary Separation Plan and for Trade-the layoff allowance, are based on service.

Section 7.2. *Seniority Defined.* Seniority is the relationship of one employee to other employees on the same seniority list within a bargaining unit or bargaining units. A seniority list establishes the order by which the employees listed thereon will be considered, as provided in this Agreement, for layoffs, rehiring, promotions, and permanent transfers between and within bargaining units covered by this Agreement.

Section 7.3. *Acquiring Seniority.* a. Except as otherwise provided for in this Agreement, an employee acquires seniority in a bargaining unit or bargaining units by working in one or more classifications covered by a single seniority list in that bargaining unit for a continuous period of six (6) months. Seniority, when acquired, dates back to the time when such continuous employment began and accumulates so long as such employment continues.

b. An employee who has not acquired twelve (12) months of service is a probationary employee.

Section 7.4. *Seniority Lists.* a. The seniority status of each present employee shall be that which has been determined by the present seniority lists. (For the Trades) - The established practices of occupational groups, divisions, and departments shall continue for the term of this Agreement, unless changed by mutual agreement.

b. The Company will cooperate with the Union in working out a mutually satisfactory method of showing the seniority status of employees. The Company will furnish each month to the Chairperson of each unit the names of those employees who have acquired seniority in the unit during

the month, and send a copy to the President of the Local Union. Seniority lists shall be brought up to date each January 15 and July 15 and posted by the Company, and one (1) copy of each list shall be furnished to the President of the Local Union and at least five (5) copies to the Chairperson of the unit involved. Such seniority lists shall be deemed to be correct as to the seniority of all employees except those who question the same within twenty (20) days after such lists are posted by the Company. Employees who could not see the list at the time of posting because of CTO utilization, work assignment, or similar cause shall have twenty (20) days after their opportunity to see the list to question their position. All such objections shall be considered and processed as grievances.

c. Employees added to any of the seniority lists in each bargaining unit shall have their seniority determined as provided in this Agreement, except as otherwise agreed by the parties. When two employees start on a seniority list on the same day, the senior employee shall be the one with the longer continuous employment in the occupational group. If this does not break the tie, reference shall be made successively to cumulative **time spent in the employee's respective bargaining unit, then cumulative time spent in Local 223 UWUA, then Company hire date, and finally the employee's date of birth, with the eldest employee being given preference on the seniority list.** In the Production Organization the term occupational group as used in Paragraph c of this Section 7.4 means occupational group within a single bargaining unit.

Section 7.5. *Transfers at Employee's Request.* a. Except as otherwise provided in Paragraph c of this Section 7.5, employees who transfer from one seniority list or bargaining unit to another at their own request will continue to accumulate seniority on the seniority list from which they transferred for a period of six (6) months from the date of transfer. During this six (6) month period, the employees will be on trial to demonstrate their qualifications and abilities for the work in their new classification. If found not qualified for such work by Management during this period, the employees will be returned to their former bargaining unit and classification without prejudice. At the end of this six (6) month trial period, if retained, their seniority will be established on their new seniority list retroactively to the date of transfer, and the employees' seniority on their former seniority list

will cease to accumulate but will be retained as of the date of transfer and may be exercised only in the event of layoff. (For those listed in attachment “A” OPT Election/Recognition history) The trial period may be extended by mutual agreement of the parties up to six (6) months.

b. (For those listed in attachment “A” OPT Election/Recognition history) - For hardship reasons or by mutual agreement of the parties, bargaining unit employees who voluntarily transfer to other classifications or other locations, represented or non-represented, employees may voluntarily return to their former seniority list and classification within ninety (90) calendar days of the date of transfer without prejudice.

(For Trade) — Employees may voluntarily return to their former seniority list and classification within sixty (60) calendar days of the date of transfer without prejudice.

c. (Exception to Paragraph a of this Section 7.5) Both parties recognize that in some instances six (6) months may not be a sufficient period of time in which to adequately judge the qualifications and abilities of an apprentice in training. In the event an apprentice in training does not pass required class-room work, the employee will be permitted one (1) repeat session for each course failed during each term of the training program provided the employee is otherwise progressing satisfactorily. Should a second attempt in any course also result in failure, the apprentice may be dropped from the training program and classification. If such employee, because of class-room work or on-the-job performance, is found not qualified after having been longer than six (6) months in the training program, the employee shall be returned to his/her former classification, if any, and the employee will be credited with an additional six (6) months of seniority in his/her former classification. If such employee has no former classification to which the employee can be returned, the Company will attempt to place the employee on other work which the employee is qualified to perform but, in such event, the employee will not be credited with seniority in the newfound classification.

d. If an employee transfers to a classification not covered by this Agreement, the employee will continue to accumulate seniority on the seniority list from which the employee transferred for a period of six (6) months from the date of transfer, or longer if mutually agreed. If the employee becomes permanently assigned to the classification, the employee's seniority will be adjusted so that accumulation stops as of the initial

date of the transfer. The terms of Section 1.4 (Agency Shop) apply while seniority is being accumulated. If such an employee wants his/her deduction of dues to continue beyond the period provided by Section 1.5 (Assignment and Authorization for Deduction of Initiation Fee, Dues, and Assessments) the employee must sign a statement to that effect.

Section 7.6. *Transfers by Management.* Whenever in the course of changes such as reorganization or transfers of work from one division or department to another, Management shall permanently transfer an employee from one division or department to another, and the transferred employee will be placed in the classification most like his/her previous work. New seniority lists for the classifications in which employees are placed as the result of such transfers will be made up, and all employees on these new lists will have their respective seniorities adjusted to include all service with the Company in the classification and all like classifications, except that where seniority has been terminated, prior service shall not be included unless otherwise agreed.

Section 7.7. *Temporary Assignments.* a. An employee who is assigned to a classification on another seniority list on a temporary basis will not accumulate seniority on that list. However, if the assignment is continuous and the vacancy is posted as a permanent vacancy, the employee's seniority, if the employee is selected to fill the permanent vacancy, will be established on his/her old and new seniority lists as of the date of the temporary assignment.

b. In the Civil and Specialty Trades Occupational Group of Substations and the Maintenance Occupational Group of Fermi 2 or Power Generation, if a shortage of work in the regular classification makes it necessary to assign one or more employees to another classification in their bargaining unit, and such assignment is expected to last ten (10) working days or more, the employees with the least seniority shall be so assigned, provided reasonable qualifications and abilities are not significantly different, and no change in headquarters or work area is required. "Significant difference" shall be "head and shoulders difference", and such factors as advance licenses or step-up experience shall not of themselves amount to significant differences.

Section 7.8. *Incapacitated Employees.* An employee represented by the Union who becomes incapacitated for his/her regular work may be placed at any work the employee can do without regard to the seniority provisions

of this Agreement, and upon recuperation shall be returned to his/her former classification or the classification the employee would be entitled to through qualifications and accumulated seniority. The seniority of such an employee will accumulate only on his/her former seniority list.

Section 7.9. *Leave of Absence.* An employee on leave of absence will continue to accumulate seniority, and at the termination of the leave the employee will be returned to his/her former classification or, if that classification no longer exists, to the classification the employee is entitled to by qualifications and seniority, provided the employee is able to perform its duties. The terms of Section 1.4 (Agency Shop), apply while seniority is being accumulated.

Section 7.10. *Employees needed to fill Supervisory positions for a short term.* In the event the company needs to fill a supervisory position for a short term in any area they may chose to use a senior leader (LU-59).

Section 7.11. *Layoffs or Reductions.* a. Notwithstanding any other provision of this Agreement, if the Company finds it necessary to lay off or reduce an employee or employees from a classification or a seniority list, the Company will notify the Local Union President of the matter in writing and will negotiate with the Union to formulate a program for spreading the work, transferring employees, or taking some other appropriate action including but not limited to monetary incentives to allow employees in affected classifications to voluntarily leave the Company, retraining to allow employees to qualify for other jobs, temporary placement into other jobs at other locations **including mutual time exchange transfers in accordance with Section 8.19a** and temporary placement into special projects. If the parties are unable to agree on such a program within thirty (30) days after the matter is first brought to the attention of the Union, the procedure outlined below shall apply.

b. If it becomes necessary to reduce the force by laying off employees from any seniority list, the employee with the least seniority on that list shall be laid off first, provided the employee can be replaced with a qualified employee having higher seniority. (For those classifications listed in attachment "A" OPT Election/Recognition history) However, employees who are performing below expectations on their overall performance rating are subject to layoff without regard to seniority.

c. Any employee who is being laid off from a seniority list may, at his/her own request, use seniority the employee retains on any other seniority list to displace an employee on such other seniority list whose seniority is less than his/her own thereon; or to displace any probationary employee in his/her bargaining unit, provided, in either case, that the employee is qualified to perform the work available. To maintain the integrity of Fermi 2 and to protect seniority, the parties have agreed that the number of Maintenance Occupational Group employees permitted to bump into Fermi 2 will be limited to a number equaling 10% of the number of Maintenance Occupational Group employees employed at Fermi 2 in any year (365 day period). Management may, at its discretion, accept a number greater than 10%. Any employee who thus transfers and displaces a probationary employee or a junior employee on some other seniority list will retain his/her seniority indefinitely on the seniority list from which the employee was laid off. In case the employee is restored to the seniority list from which the employee was laid off, his/her seniority on the list from which the employee was laid off shall include the time spent on the seniority list or lists to which the employee was transferred during the period of layoff. And, if restored to the seniority list from which the employee was laid off, the employee will be given no seniority credit on the list or lists to which the employee was assigned during the period of layoff.

d. The Company will attempt to place any employee who is being laid off from his/her seniority list at work he/she is qualified to do in his/her own or other departments before hiring new employees for such work from out-side the Company. If placed, the employee's seniority on the list from which the employee was laid off will be retained and accumulate in the same manner as if the employee had replaced a junior employee under Paragraph c of this Section 7.11.

e. If the affected employees have not been placed under Paragraphs a, b, c, or d of this Section 7.11, the employees will be offered work currently being performed by contractors which they can perform or be expected to perform with reasonable training. **The parties will identify the training necessary to** accomplish the above.

f. An employee who is laid off from employment in the Company, (for those classifications listed in attachment "A" OPT Election/Recognition history the employee must meet expectations) and is later hired into a lower

classification (while the employee still has recall rights) will retain his/her seniority indefinitely on the list from which the employee was laid off. In case the employee is later restored to the seniority list from which the employee was laid off, his/her seniority on the list from which the employee was laid off shall include the time spent on the other seniority list or lists during the period of layoff and, if restored to the seniority list from which the employee was laid off, the employee will be given no seniority credit on the list or lists to which the employee was assigned during the period of layoff, and the employee shall be given no seniority credit anywhere for the period of unemployment from the Company.

g. An employee is not entitled to reimbursement by the Company for expenses incurred by the employee in accepting work under this Section 7.11.

h. An employee who is laid off from employment in the Company (in the OPT bargaining unit the employee must meet expectations) will retain his/her seniority on the list from which he/she was laid off and will have recall rights for a period of time equal to his/her seniority on that list, or for five (5) years, whichever is the lesser. If not recalled or hired into a lower classification during this period, the employee's seniority shall be terminated.

i. Qualified employees who have been laid off from any seniority list and retain seniority thereon under this Section 7.11, who are able to return to work, will be called back in the reverse order of their layoffs, except that an employee who had been retained outside of seniority order because the employee had been a Union representative who is subsequently laid off will be called back in the order which would have applied to the employee if the employee had not been a Union representative.

j. Should it become necessary for the Company to reduce for a period which it appears will be six (6) months or more the number of employees in a classification at a work location:

(1) The employee in that classification with the least seniority on the seniority list covering the classification affected and employed at the work location in question will be displaced first, provided the employee can be replaced, if necessary, with a qualified employee having higher seniority.

(2) Such employee may, if qualified, displace an employee on the same seniority list employed elsewhere in his/her own classification whose seniority is less than his/her own thereon, or such employee may, if qualified, displace an employee in some other lower-rated classification on the same seniority list employed elsewhere or at the same location whose seniority is less than his/her own thereon.

k. For the purposes of layoffs or involuntary transfers or work assignments when seniority is a factor, an elected or appointed Union representative as listed below will be considered as being at the top of his/her seniority list, provided the pending layoff, involuntary transfer or change in work assignment would interfere with his/her job-related contract administration duties. If this paragraph is applied to prevent the layoff of any employee from his/her classification or seniority list because he/she is an elected or appointed Union representative, and such employee shall thereafter lose his/her status as an elected or appointed Union representative, the following will be done:

(1) Such former elected or appointed Union representative shall resume his/her proper status on his/her seniority list.

(2) Employees who have greater seniority on such seniority list than such former elected or appointed Union representative and who (a) were displaced from their classification or from such seniority list while serving as an elected or appointed Union representative and (b) have remained continuously with the Company in some other job classification or have been rehired under Paragraph f of Section 7.11 shall be offered, in descending order of accumulated seniority, from high to low, the opportunity to replace such former elected or appointed Union representative.

(3) If such employee accepts the offer, the employee lowest on the seniority list as it exists after such offer is accepted shall have the provisions of this Section 7.11, applied.

(4) If any employee to whom such offer is made declines the same, employee shall lose all rights, except recall rights, to return to the job from which the employee was displaced.

(5) This Paragraph k of this Section 7.11 shall not apply in such a way as to require Management to offer the above opportunity to any employee

other than those covered by Paragraph k (2) of this Section 7.11, and

(6) This Paragraph k of this Section 7.11 shall not be construed to give any employee who shall hereafter become an elected or appointed Union representative any right to return to any classification or seniority list from which the employee has been laid off or displaced.

(7) For the purpose of applying this Paragraph k of this Section 7.11, elected or appointed Union representatives shall be ranked at the top of their seniority lists in the following order:

1. Local Union President
2. Local Union Vice President
3. Local Union Secretary
4. Local Union Treasurer
5. Union EAP Representatives
6. Bargaining Unit Chairperson
7. Bargaining Unit Vice Chairperson
8. Bargaining Unit Chief Steward
9. Bargaining Unit Secretary
10. Bargaining Unit Treasurer
- *11. Bargaining Unit Bargaining and Grievance Committee
12. Office Professional & Technical and Power Generation Committee persons/Regional/Area/Plant
- *13. Elected Stewards
- *14. Elected Safety Committee Members
15. Local Union Safety Director

** If two or more in this category are on the same seniority list, regular seniority will break the tie.*

(8) If said layoffs or involuntary transfers reach to the top of said seniority lists the Union representatives in the following Union Offices will not be laid off from nor involuntarily transferred from their respective bargaining units while they hold one of said offices unless all of the employees of the entire bargaining unit are first laid off from or involuntarily transferred from said bargaining unit:

1. Local Union President
2. Local Union Vice President
3. Local Union Secretary
4. Local Union Treasurer
5. Bargaining Unit Chairperson

1. An employee with ten (10) years or more of Company service who is being laid off from his/her classification in accordance with the seniority practices of his/her bargaining unit, who cannot be placed under the seniority practices of his/her bargaining unit or Paragraphs c, d, or j of this Section 7.11 may, if the employee meets the qualifications required to enter such job, elect:

(1) To use his/her bargaining unit seniority to displace an employee with less bargaining unit seniority in another job with the same or a lower pay grade in his/her bargaining unit, even though the employee has no seniority in such job, or, if there is no such employee,

(2) To use his/her Company service to displace from another job with the same or a lower pay grade an employee represented by the Union in another bargaining unit who has less than six (6) months Company service.

(3) If an employee has no alternative to being laid off and is laid off following the foregoing application of this Section 7.11, such employee, if qualified, will be given first consideration before new employees are hired into classifications covered by this Agreement. Failure of employees to avail themselves of any such opportunity shall not prejudice their recall rights under Paragraph h of this Section 7.11.

m. This Section 7.11 does not in any way alter the force and effect of Article 10.8 (For those listed in attachment "A" OPT Election/Recognition history) - (Voluntary Separation Offer). For the Trade -(Layoff Allowance).

Section 7.12. *Termination of Seniority.* Seniority will be terminated in cases of (a) resignation, (b) discharge for cause, including absence for three (3) consecutive workdays without notice (unless failure to give notice is beyond the employee's control), (c) expiration of recall rights, or (d) failure to reply (unless failure to reply is beyond the employee's control) within five (5) days to a notice of recall to work, sent by registered mail return receipt letter to the last address furnished in writing to the Company by the laid-off employee. If seniority has been terminated, the Company has no further obligation to offer re-employment but, if a former employee without seniority is re-employed, his/her seniority status will be that of a new employee, unless otherwise agreed by the parties hereto.

Section 7.13. *Promotions.* (This section pertains to all bargaining units except for those classifications listed in attachment "A" OPT

Election/Recognition history). In promotion of employees covered by this Agreement to classifications within the same bargaining unit, seniority will govern whenever reasonable qualifications and abilities of the employees being considered are not significantly different. "Significant difference" shall be "head and shoulders difference", and such factors as advance licenses or step-up experience shall not of themselves amount to significant differences. If the Management proposes to by-pass any employee with greater seniority, the Management will discuss the matter with the chairperson of the bargaining unit involved (at least five (5) days before the by-pass is made effective) in an attempt to reach an agreement thereon before such a by-pass is made. In the event of disagreement, the matter may be processed through the grievance procedure to the President of the Company, or his/her delegate, whose decision shall be controlling, except that the question of whether the by-pass has been arbitrary or discriminatory may be submitted to arbitration in accordance with Article 5 of this Agreement. If the arbitrator finds the by-pass was arbitrary or discriminatory, the by-pass will be canceled.

Section 7.14. *Trial Period.* a. Except as otherwise provided in Paragraph c of this Section 14, every employee who begins employment for the first time in a classification in a bargaining unit shall be on trial for a period of six (6) months from the first day of his/her continuous employment in that classification to demonstrate his/her abilities and qualifications for such work. If the employee shall be found not qualified by Management during this six (6) month period, he/she shall be returned to his/her former bargaining unit and classification, if any, without prejudice. In the event of disagreement concerning the employee's ability or qualifications, except in the case of a probationary employee, the matter may be processed through the grievance procedure up to the President of the Company, or his/her delegate, whose decision shall be controlling, except that the question of whether the Management's action has been arbitrary or discriminatory may be submitted to arbitration in accordance with Article 5 of this Agreement.

b. In the case of a probationary employee, or one who is rehired into a classification in which he/she has no seniority, termination of employment shall not be the subject of a grievance or arbitration. Otherwise, such an employee shall have the full benefit of the grievance procedure under Articles 4 and 5.

c. (Exception to paragraph a of this Section) Both parties recognize that in some instances six (6) months may not be a sufficient period of time in which to adequately judge the qualifications and abilities of an apprentice in training. In the event an apprentice in training does not pass required classroom work, he/she will be permitted one (1) repeat session for each course failed during each term of the training program provided he/she is otherwise progressing satisfactorily. Should a second attempt in any course also result in failure, the apprentice may be dropped from the training program and classification. If such employee, because of classroom work or on-the-job performance, is found not qualified after having been longer than six (6) months in the training program, he/she shall be returned to his/her former classification, if any, and he/she will be credited with an additional six (6) months of seniority in his/her former classification. If such employee has no former classification to which he/she can be returned, the Company will attempt to place him/her on other work which he/she is qualified to perform; but, in such event, he/she will not be credited with seniority in the newfound classification.

Article 8

WORKING CONDITIONS

Section 8.1. *Bulletin Boards — Union Business on Company Time or Property.* a. Bulletin boards will be made available to the Union by the Company and such bulletin boards will be erected at designated places agreeable to the Union and the Company for the purpose of posting Union notices relating to meetings, entertainment, health, safety, and other non-controversial items of interest to the membership.

b. The members of the Union will not discuss strictly Union business to the extent that work is interfered with, nor will they solicit members, nor attempt to influence employees on Company time or property during working hours. This Paragraph b of this Section 8.1 is not to be interpreted as prohibiting solicitations on an employee's own time, such as lunch and break periods.

(For the Gas Division) — *Union Activities* — The Union agrees that its officers, representatives, and members will not solicit memberships nor engage in Union activities on Company time, except as provided herein,

and that its officers, representatives, and members will not intimidate or coerce employees in any manner at any time.

a) An employee's departmental representative and the Union Vice Chairperson in charge of grievances or an alternative officer shall be allowed time off, without loss of pay, during their scheduled work hours, for the purpose of investigating the employee's difference or processing his or her grievance, subject to the following conditions:

(i) They shall report to their immediate supervisors who shall be informed of the reason for the meeting or meetings, with whom, when, and where held, and what time they expect to return to their regular assignments;

(ii) They shall receive a clearance from the supervisor of the employee whom they plan to contact; and

(iii) They shall report to their immediate supervisors at the conclusion of such meeting or meetings.

b. In addition, Union officers, grievance committee members, and departmental representatives shall be allowed time off, without loss of pay, during their scheduled work hours, for the purpose of attending grievance meetings at which their presence is required by the grievance procedure, for the purpose of attending meetings with the Company, and for such other purposes as may be mutually agreed upon. No absence with pay will be permitted under this paragraph for the attendance of funerals or for the visiting of funeral homes.

c) Except as provided above, no absence with pay will be permitted for Union activities. Absence without pay for Union activities may be permitted subject to the following conditions:

(i) It will not interfere with the operation of the Company's business; and

(ii) With respect to any one (1) absence in excess of ten (10) scheduled working days, reasonable advance written notice is presented by the Union President to the Director of Human Relations prior to the commencement of such absence.

Union activities are defined as any activities involving Union officers, grievance committee members or departmental representatives other than those at which an authorized representative of the Company is present.

(For Gas Division T&SO Department) — The Union agrees that its officers, representatives and members will not solicit memberships nor engage in Union activities on Company time, except as provided herein, and that its officers, representatives and members will not intimidate or coerce employees in any manner at any time. Union representatives shall be allowed time off, without loss of pay, during their scheduled work hours for the purpose of investigating differences or processing grievances. Absence without pay for Union activities may be permitted subject to the following conditions:

(a) It will not interfere with the operation of the Company's business; and

(b) With respect to any one (1) absence in excess of ten (10) scheduled working days, reasonable advance written notice is presented by the Union President to the Director of Human Relations prior to the commencement of such absence.

Union activities are defined as any activities involving Union officers or Union representatives other than those at which an authorized representative of the Company is present.

Section 8.2. *Full-Time Employment.* (For Trade and those classifications listed in attachment "A" OPT Election/Recognition history) The Company agrees that any employee, other than a part-time or seasonal employee, who is scheduled to work on the first day of his/her work week, will be guaranteed pay at straight time for forty (40) hours that week, provided the employee reports for work and is in condition to work. This does not preclude suspensions or discharges for just cause, or layoffs as provided in Section 8.34 hereof. It is understood that in case of a shortage of work in his/her own group the employee will do any work assigned which the employee is capable of performing.

(For the Gas Division) — *Normal Scheduled Workweek* — The normal scheduled workday shall be eight (8) hours, and the normal scheduled work-week shall be forty (40) hours; provided, however, that in a week in which an idle holiday occurs, the normal scheduled workweek shall be

forty (40) hours less the number of hours for which an employee will receive “holiday pay” under Article 9.7 of the Gas Addendum, hereof. No employee will be scheduled to work a holiday as part of their regularly scheduled forty (40) hour workweek. A schedule will be posted on the third (3rd) day preceding the beginning of the workweek, informing employees of their day or days off during the week. (For the T&SO Department, a schedule will be posted on the third day preceding the beginning of the two (2) week work period, informing employees of their day or days off during the two (2) week pay period). The Field Service Operations Department will post a tentative “Holiday Work Schedule” one (1) month in advance of each Company approved holiday. So far as possible, the days off will be alternated so that, if he or she desires, each employee will receive the benefits of Saturday and Sunday off when his or her turn comes.

Section 8.3. *Inclement Weather*. This section pertains to the Trade. The Company will not require employees, not so normally engaged, to work outdoors in inclement weather during regularly scheduled work periods, unless such work is necessary to protect life or property, to maintain service, or to prevent impairment of service. In inclement weather, the Company will furnish indoor work, insofar as practicable, to those employees whose outdoor work has been suspended, it being understood that if it is not practicable to furnish work in his/her own group, the employee will do any work assigned which he/she is capable of performing. If unable to do so, the Company will nevertheless fulfill its obligation under Section 8.2 of this Article by paying for such unworked time within the regularly scheduled workweek of forty (40) hours.

(For Trade and those classifications listed in attachment “A” OPT Election/Recognition history) Any employee normally working indoors, but required to work outdoors without sufficient notice to provide his/her own protective clothing, will be provided by the Company such clothing as raincoats, mackinaws, hats, and rubber boots.

(For the Gas Division) — *Rain Time* — No employee shall be required to lose any scheduled time on account of rain, nor any time when called for planned work outside of the normal workweek schedule. The authority to reassign employees from the work temporarily stopped by rain or other work shall be reserved to the Company. Transportation shall be provided by the Company to and from the location of the reassigned work. Whenever it is imperative to continue work while it is raining, protective clothing shall be provided by the Company.

Section 8.4. *Work Sharing*. (For Trade and those classifications listed in attachment “A” OPT Election/Recognition history) Allocation of work to other groups than those which are regularly assigned to do it shall never be on an arbitrary basis, and the department involved will discuss with the chairperson of the bargaining unit or his/her substitute, as far in advance as possible, any unusual allocation.

Section 8.5. *Outside Contractors*. (See Sec. 12.2c) (For Trade and those classifications listed in attachment “A” OPT Election/Recognition history)

a. If Management proposes to contract work which is regularly and customarily done by the employees in a bargaining unit, and such contracting appears to threaten their security of employment, the chairperson or chief steward of the division will be given prior notice thereof.

b. Work will not be contracted out for the purpose of laying off or reducing in classification employees who regularly and customarily do such work. (Reference: Letter by William G. Meese dated June 19, 1969.)

(For the Gas Division) *Contract Work* — (See Sec. 12.2 c) The Company agrees that it will not contract any work that its employees can efficiently and expeditiously perform and which is ordinarily and customarily done by its regular employees. The above language does not limit or restrict the Company’s right to contract out work as long as employees normally performing such work are not affected by layoff or a reduction of hours below forty (40) per week.

Section 8.6. *Safety*. a. The Company and the Union agree that the safety of the employees and the public is a shared value that requires the commitment and engagement of all employees.

To that end, the Company and the Union agree to share responsibility to:

- Develop and continuously improve safety programs and processes that reduce injury potentials, reduce workers compensation costs and comply with governmental regulations.
- Develop and maintain a properly staffed safety organization, comprised of Management and Union personnel working in a cooperative and coordinated manner that will assist Management in their responsibility to provide a safe working environment.

- Support a safety committee structure that works proactively on key safety program elements including OSHA and MIOSHA laws.
- To cooperate in placing into effect and maintaining safety rules and practices and ensuring that the laws governing health and safety shall be complied with by the Company, the employees, and the Union.

The Company also agrees to provide training to employees, safety committees and safety representatives and funding as necessary to meet this shared responsibility.

b. In order to meet our shared interests of assuring the health and safety of the workforce, the parties agree to the importance of effective joint health and safety committees and agree such committees will meet on Company time. To achieve and maintain an environment in which joint health and safety committees operate effectively, the parties further agree that Senior Management will continue to provide oversight and guidance for the joint health and safety process provided herein. The DTE Energy Joint Health & Safety Committee will continue to ensure the effectiveness of the safety committee process and assist in the development and implementation of safety and health policies, programs, procedures and processes throughout the organization.

c. The Company is committed to and will continue to furnish properly fitted safety clothing and equipment as customarily furnished, and as safe and comfortable working conditions as practical under conditions existing at the time will be maintained. The Company shall continue to make sanitary and healthful provisions for the safety of its employees during the hours of employment, and the employees shall comply with all the safety rules established.

d. The Company commits that its efforts, in full concert with Local 223, to protect the safety of employees will not diminish in any way as to a result of the passage of electric utility restructuring legislation and the issuance of restructuring orders by the MPSC.

e. In the event the parties cannot reach agreement as provided in marginal paragraph (a) and (b) above the Company may implement their decision and the Union may grieve.

f. (For the Gas Division) - Should an employee working alone in the field become apprehensive of his or her safety in the course of his or her

work, the employee will immediately notify the Dispatch Board of his or her concern and of the reasons therefore. Supervisory personnel will determine whether the employee should attempt to execute the work order or leave the area and defer the work order. In the event supervisory personnel determine that the work order should not be deferred, the employee will be instructed to stand outside of the area and await assistance which will be made available to the employee through his or her immediate supervisor. The supervisor will stand by on the job site until the job is completed if the job cannot be deferred.

Section 8.7. *Minimum Pay Allowance.* (For Trade and those classifications listed in attachment “A” OPT Election/Recognition history)

a. A minimum pay allowance equivalent to four (4) hours at straight time, including such travel time as is allowed herein, will be paid an employee who reports at the Company’s request for work entirely outside and not continuous with his/her regular work period. The continuity of an overtime period with the regular work period or the continuity of an overtime period shall not be considered to be interrupted by time out for eating a meal, even though such time is not paid.

b. The guarantee of a minimum allowance shall apply only to the first two (2) call-ins on any workday or off day.

(For the Gas Division) *Call-In Pay* – Employees called in to work and sent home shall receive not less than four (4) hours pay.

Section 8.8. *Moving Expenses.* (For Trade and those classifications listed in attachment “A” OPT Election/Recognition history) a. If the headquarters of an employee is changed at the Company’s request and it is necessary to change the employee’s residence, the Company will pay the necessary moving expenses upon receiving a receipted moving bill from the employee within one (1) year of the date of change of headquarters (unless the time is specifically extended by Management in writing). When the employee submits his/her receipted moving bill, the employee will be given an additional sum of money to offset other relocation expenses he/she may have incurred. That sum shall be the current per diem allowance (reference Section 8.17) times thirty (30). Such an employee will be given as much notice as practicable to permit the employee to arrange living quarters in the new locality. However, a change of headquarters because an employee

applied for a job at a different location or headquarters or upon a job more than thirty (30) days after layoff is not a change at the Company's request.

b. In the Electrical System Substations when the Company, in lieu of requesting a specific employee to change his/her headquarters, allows employees to bid to fill a job, the Company will pay moving expenses (subject to the foregoing time limits set forth in Paragraph a of this Section 8.8 above) only for the first employee required to change his/her residence in each cycle of bidding.

Section 8.9. *Job Descriptions, Wage Benchmarking, and Pay Rate Negotiations.* (For Trade and those classifications listed in attachment "A" OPT Election/Recognition history)

a. It is understood and agreed that Management reserves the exclusive right to determine the duties of any classification.

b. Management will furnish the President of the Union with copies of job descriptions (including titles and qualifications such as licenses, degrees, and course requirements) for all classifications covered by this Agreement. Should the Company contemplate (1) implementing a new classification or (2) substantially changing an existing classification, the Company will advise the President of the Union of such changes at least thirty (30) days prior to the proposed effective date of such changes. During this thirty (30) day period, the Union and the Company will enter into negotiations in an attempt to reach agreement on such changes, including whether such changes were substantial.

c. If the Union does not believe a job description for a Union represented classification, either an existing job description or one newly brought under the Agreement, accurately reflects the significant duties and responsibilities of the classification, the President of the Union will so advise the Company's Director of Human Relations. The Director of Human Relations will arrange a meeting with all the necessary parties to attempt to reach agreement on a revised job description and whether such changes are substantial.

d. If Management creates a new classification and they want to post and

fill such a new classification as soon as possible, the parties will attempt to reach quick agreement on a tentative pay rate and job description for such a classification. If agreement cannot be reached, Management's proposed pay rate and job description will be put into effect. However, within six months after such a new classification becomes operational, the process in Paragraph e of this Section 8.9 will be followed.

e. Direct negotiations between the parties will be used to determine the pay rate of any classification covered by this Agreement provided the classification is (1) a new classification, (2) a classification which is brought within the jurisdiction of this Agreement, or (3) a classification already covered by this Agreement, the duties of which have been substantially revised. In direct negotiations, a joint Negotiating Committee will first attempt to reach agreement on slotting the job into existing jobs in the Agreement which have been previously benchmarked through wage surveys. If such agreement cannot be reached, Management will assign a tentative pay rate and the parties will submit the classification to a joint Benchmarking Committee. Unless otherwise agreed, the parties will conduct a wage survey for any new job, substantially changed job, or any classification brought within the jurisdiction of this Agreement at least once during the term of this Agreement. The survey will be conducted using a mutually agreed to third party and follow the basic agreements reached by the parties in completing their extensive 1998 wage survey. The Benchmarking Committee will report their findings to the Negotiating Committee. The parties will then attempt to negotiate a final pay rate. If not resolved through negotiations, the pay rate proposed by Management shall be put into effect, subject to the Union's right to request mediation of the issue. If not resolved in mediation, the Union has the right to process a grievance through arbitration. The arbitrator's decision will be confined to the reasonableness of the process used by Management to determine the pay rate.

f. It is the intent of the parties that all employees be paid within the pay rates established by the above process. However, if a pay rate for a classification is reduced through the above process, an incumbent's pay will not be reduced. Rather, the incumbents will be brought within the established pay rates through the use of lump sums instead of General Increases being given to others in the same classification who are within the established pay rates.

Section 8.10. *Temporary Assignment to a Higher-Rated Classification.*
(For those listed in attachment “A” OPT Election/Recognition history)

a. If there is a need to temporarily fill OPT represented job for 90 calendar days or more, they will be posted and filled following Section 8.38 of this agreement. Unless the parties otherwise mutually agree, such assignments will not exceed the posted duration of the assignment. If there is a need to temporarily fill an OPT represented job for less than 90 calendar days, Management may canvass employees based on their availability, skills and location. Seniority will be considered when selecting volunteers for these assignments. Unless the parties otherwise mutually agree, such assignments will not exceed 90 calendar days.

b. When temporarily assigned to a higher rated OPT represented job, OPT represented employees will receive daily step-up pay of 5%, not to exceed the maximum rate of the temporary job. No step-up pay will be granted if the selected employee is already above the maximum rate of the temporary job. A higher rated OPT job is defined as one having a higher maximum pay than the employee’s current OPT represented job. While on such temporary assignments, employees will continue to accumulate seniority in their permanent OPT represented classification.

Temporary Assignments for those classifications listed in attachment “A” OPT Election/Recognition history to Non-Represented Classifications.

a. Management may canvass employees based on their availability, skills and location. Seniority will be considered when selecting volunteers for these assignments. Employees selected for these assignments will, upon termination of such an assignment, be returned to their permanent OPT represented classification.

b. When temporarily assigned to a non-represented job, OPT represented employees will receive daily step-up pay of 5%, not to exceed the midpoint of the pay zone of the temporary job. No step-up pay will be granted if the selected employee is already above the midpoint of the Pay Zone of the temporary job. The seniority of such employees will be determined in accordance with Subsection 7.5d of the Agreement. No employee shall be forced to accept a change in role assignment.

(For the Trade Bargaining Units) - If an employee is assigned to a higher-rated classification, (1) the rate for which he/she has previously qualified

by working in the classification on either a permanent or temporary basis, (2) the lowest pay rate in the higher-rated classification, or (3) one pay grade over employee's current pay rate, whichever is highest, provided this shall not exceed the maximum pay rate of the higher classification. This provision does not apply to an employee holding a substitute classification or a dual-rate classification, or an employee assigned for instruction who does not relieve another employee or one whose pay rate is based on relieving a higher classification. If an employee is assigned to a higher-rated classification for less than one (1) full hour in a day, he/she shall receive no increase in pay. When the employee is returned to his/her regular classification, he/she shall also return to his/her regular rate.

b. If an employee is assigned for four (4) or more hours to a higher-rated classification both on the day before and the day after a holiday or other absence for which he/she is excused with pay, the absence will be paid for at the higher rate.

c. If the reasonable qualifications and abilities of the employees available for temporary assignments to higher-rated classifications are not significantly different, the senior employee will normally be assigned. "Significant difference" shall be "head and shoulders difference", and such factors as advance licenses or step-up experience shall not of themselves amount to significant differences. This provision shall not require the shifting of employees between crews or work locations for short assignments. A short assignment is defined as thirty (30) working days or less. Said short assignments will be made first to employees at the location and then in sequence to the next nearest locations.

(For the Gas Division with exception of Credit & Collection Department) Advanced Assignment Opportunities– Opportunities for advanced assignment for promotion shall depend upon the need for additional employees in higher classified jobs.

(For Gas Division Credit & Collection Department) Employees temporarily assigned to a higher classification within the Credit & Collection Department will receive \$0.75 per hour added to their base pay. Employees temporarily assigned to a non-represented position outside the Bargaining unit will receive \$1.00 per hour added to their base pay.

Section 8.11. *Temporary Assignment to a Lower-Rated Classification.* An employee assigned temporarily to a lower-rated classification shall not be reduced in classification or pay during such assignment.

Section 8.12. *Work Done by Supervisors.* (For the Trade) - The primary function of a supervisor is supervision. During regular working hours, supervisors will not do work of employees covered by this Agreement except that customarily done. Outside of regular work periods a supervisor shall not be permitted to do work which will act to reduce the number of employees normally required for the job. This shall not preclude the supervisor working in an emergency. If a layoff occurs in any classification, no supervisor shall be permitted to do work of employees in such classifications.

Work Done by Supervisors. (For those classifications listed in attachment "A" OPT Election/Recognition history) - The primary function of a supervisor is supervision. Supervisors will not do work of employees covered by this Agreement except that customarily done. It is not the Company's intention to use supervisors to displace or replace bargaining unit employees. This shall not preclude the supervisor working in an emergency or occasionally working to meet the customers' needs.

(For the Gas Division) *Supervisory Work* – Supervisory, technical or confidential employees may be assigned to the inspection of contract work on new main installations provided that the Company shall also assign one employee from the bargaining unit to the same job or jobs. In addition, supervisory, technical or confidential employees may perform work normally assigned to members of the bargaining unit when it is for the purpose of instructing employees within the bargaining unit, or during periods of emergency, or when the work is associated with such supervisory, technical, or confidential employees' regular assignments, except that in the latter case, the time involved shall not exceed 20 percent of the workday. It is expressly agreed that the foregoing provisions of this paragraph shall not be construed to limit the clerical work which is now performed by the Station Clerks, now employed by the Company, or their successors, nor prohibit the performance of such work by additional Station Clerks who may be assigned to any new station.

Section 8.13. *Medical Examinations.* (For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history) -If medical examinations are required by the Company for an employee, they shall be at the Company’s expense. Written reports of such examinations will be given to an employee, upon request from the employee, except where the examination is a routine pre-hire examination for someone new to the Company, or an examination to determine if an employee who has been absent is ready to return to work, or in first-aid situations not requiring medical attention beyond first-aid. If such employee is not satisfied with the conclusions of said examinations required by the Company, when such conclusions affect his/her status as an employee, the employee may, at his/her own expense, submit a report obtained from a doctor of his/her own choosing for consideration by the Company. If the Union believes the action taken by the Management after such consideration is arbitrary, it may process the case through the grievance procedure, including arbitration.

(For the Gas Division) The Company reserves the right to require that an employee returning from a non-occupational disability be examined by the Company doctor on Company time and at Company expense and his/her determination shall govern whether or not the employee is medically able to return to work.

Section 8.14. *Employees’ Cars.* (For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history) - a. Generally, no employee shall be required to use his/her car in the performance of his/her work or when traveling from job to job in the Company. Employees’ cars used for Company business with the Management’s consent shall be paid for at the rates established by the Management on a Company-wide basis. If an employee does not wish to rent his/her own car to the Company, the Company will furnish means of transportation as required. Periodically, Management will review with the Union, if the Union requests such review, the line of reasoning followed in establishing the aforesaid rates.

b. As an exception to Paragraph a of this Section 8.14, employees in the following classifications are required to own or lease a car and to use such a car in the performance of their job, including traveling from job to job and home to job.

- (1) Analyst - Business
- (2) Associate Planner - Planning and Design
- (3) Facilitator - Instructor Operations and Storm Training
- (4) Facilitator - Real Estate/Rights of Way
- (5) Planner - Lines
- (6) Planner - Planning and Design
- (7) Senior Technician - Planning
- (8) Senior Technician - System Underground
- (9) Sr. Engineering Technician — Field
- (10) Engineering Technician — Field
- (11) Sr. technician Voltage Support
- (12) Sr. Professional Surveyor
- (13) Professional Surveyor
- (14) Sr. Power Quality Technician
- (15) Claims Representative
- (16) Photographer
- (17) In the Electrical System Substations Bargaining Unit: All classifications in the Operating group.
- (18) In the Facilities Management and Services Bargaining Unit: All classifications in the Electrical, Maintenance, Carpenter and Plasterer and Cement groups.

In the Meter Bargaining Unit:

- (19) Primary and Secondary Meter Testers and Investigators, Senior Service Representatives, Field Meter Testers and Investigators, and Field Meter Testers.
- (20) All classifications in the former Oakland Meter Reading Bargaining Units.

As the needs of the Company necessitate, Management may, after discussing the matter with the involved Bargaining Unit Chairperson, add other classifications to the above list. Also, after discussing the matter with the Union, the Company may for sound business reasons, provide Company vehicles to employees in the above classifications.

Section 8.15. *Reimbursable Expenses.* a. If an employee properly notifies the Company of reimbursable expenses incurred by him/her, the employee shall be reimbursed for such expenses not later than twenty (20) calendar days following such notice.

b. The Company will reimburse employees for the required fees to obtain or renew any Company required licenses, except standard driver's license.

c. The Company will not reimburse Gas Division new hire employees for the required fees to obtain any initial company required licenses.

Section 8.16. *Travel Within the Company Service Area.* (For the Gas Division) a. Employees assigned to report to the Operation Resource Center (ORC) will be required to report to the ORC at their regular starting time, with his/her own transportation, with no reimbursement for travel or over-time. If an employee is assigned to report to a Training Center other than the ORC using their personal vehicle the employee would be paid mileage and a travel time allowance equal to the time to travel between his/her home and the ORC or his/her normal work location and the ORC whichever is least.

Travel Within the Company Service Area. (For the Trade, and those classifications listed in attachment "A" OPT Election/Recognition history and the Credit and Collection Department within the Gas Division.) a. Except as otherwise specifically stated in this Agreement, if an employee is asked to report at or quit from a location within the Company service area other than the employee's regular headquarters or work area, the employee will, in each case, be given transportation costs and a travel time allowance equal to the time required to travel between his/her home or regular headquarters or work area and the job, whichever is the least.

If such an employee is authorized to drive his/her car, the actual mileage between the job and home, but not to exceed the distance between the job and the employee's regular headquarters or work area, will be considered as mileage on Company business.

b. As an exception to the foregoing Paragraph a of this Section 8.16, if an employee in the Civil and Specialty Trades Occupational Group in Substations or in the Maintenance Occupational Group in Power Generation who is assigned to a regular work area (see Section 8.27) is temporarily assigned to a location within another work area, or to Harbor Beach Power Plant, he/she will report and quit on the job, working the customary eight (8) hours per day, and he/she will be paid for each day when

he/she reports to such temporary assignment an expense reimbursement allowance based on the following table, in lieu of any allowance otherwise payable under the foregoing Paragraph a of this Section 8.16:

<u>One-way distance in miles between regular work area and temporary reporting point</u>	<u>Hours at straight- time pay at pay grade T-10</u>
0 thru 9	1
over 9 & thru 19	2
over 19 & thru 29	3
over 29	4

The foregoing notwithstanding, when such an assignment is to the Harbor Beach Power Plant the employee will also be allowed travel time for one round trip for each assignment, but at least for one round trip per week. Such travel time may be allowed during straight-time hours or outside the regular schedule.

(For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history)

c. When an employee is sent from his/her reporting point to a job at another location within his/her work area during the same workday and when he/she drives to work, the foreman shall decide which of two things shall be done, either:

(1) The employee shall be paid time and transportation to drive his/her car to the new location and quit from there, if the employee is willing to rent his/her car to the Company (see Section 8.14), or

(2) The employee shall be transported to the new location and back again on Company time.

d. In addition to normal overtime pay, an employee who timely reports for an “at-once” overtime assignment will receive the following additional compensation:

(1) If an employee is called to report, at a location other than the employee’s regular headquarters, for work “at once” on an off-day or entirely outside the employee’s scheduled hours, all time and transportation

expense, including that between the employee's home and the job and back home, shall be at the Company's expense. The employee is expected to report as soon as possible, unless he/she is instructed to report at a later specified time within two (2) hours. Time shall start with the time of call and shall include the time required to reach home afterward. If the work continues on into the employee's scheduled hours, only time and transportation expense to the job will be allowed. Work area employees will be treated the same as employees who report to a location other than their regular headquarters.

(2) If an employee is called at home and accepts an "at-once" overtime assignment requiring the employee to report to his/her regular headquarters, the employee is expected to report as soon as possible. Provided the employee actually reports to work within one (1) hour, the employee will receive a travel time allowance of one (1) hour, at the applicable overtime rate (backed up from the time the employee arrives at his/her regular headquarters), an additional one (1) hour from the job back home, and round trip mileage from his/her home to his/her regular headquarters. However, if the work continues into the employee's next scheduled work period, only the one (1) hour travel time allowance from the home to the job and only the mileage from the employee's home to his/her regular headquarters will be paid. Further, all paid time will be considered as worked time, except qualification for rest time (reference Section 9.11) will be based on the actual time the employee is called at home and the actual time required to reach home after the job is completed.

(For the Trade Bargaining Units)

e. An employee who reports back on one of the days of his/her standard work week for less than eight (8) hours of prearranged work outside of and not continuous with the employee's regular shift will be reimbursed for the travel expense required by the extra trips between home and the job and back home. This provision does not apply to an employee who receives an area premium during the assignment.

f. It is the responsibility of the supervisor to tell the employee what means of transportation is authorized and will be paid for under Paragraphs d and e of this Section 8.16.

g. When the Company provides vehicles to transport employees between jobs, such vehicles will be heated or otherwise suitable to protect

the employees from the weather. Employees will not be required to ride in the same compartment with heavy tools or heavy equipment, and the Company shall furnish, in locker rooms, reasonable provisions for drying clothes.

(For those classifications listed in attachment “A” OPT Election / Recognition history) Exempt employees who are called into work entirely outside of and not continuous with their regular work schedules will be paid for all hours worked at the straight-time rate.

Section 8.17. *Overnight Lodging and Meals.* (For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history)

a. If an employee who regularly works at one location is directed by the Management to report temporarily to another location within the Company service area, which assignment makes it necessary for the employee to remain away from home overnight and to purchase meals, lodging, and transportation, such necessary expense will be paid by the Company upon the approval of the employee’s supervisor, it being understood that an employee who prefers to disburse the necessary expense the employee has the option to do so. Each employee so affected shall be notified of such assignment before being released from work on the previous day, except in emergencies. On such an assignment, travel time and transportation between such temporary headquarters and the employee’s regular headquarters shall be at Company expense once each week. As an alternative to documented expense reimbursement an employee may elect to accept a per diem allowance of \$73.10 per day for each day when the employee reports and quits on the job working the customary eight (8) hours per day, said per diem allowance to cover all meals, lodging, travel time and transportation.

b. As an exception to the foregoing Paragraph a of this Section 8.17 if an employee in the Civil and Specialty Trades Occupational Group in Substations or in the Maintenance Occupational Group in Power Generation who is assigned to a regular work area (see Section 8.27) is directed by Management to report temporarily to a location within another work area, or to Harbor Beach Power Plant, which assignment makes it necessary for the employee to remain away from home overnight and to purchase meals, lodging, and transportation, he/she will report and quit on the job, working the customary eight (8) hours per day, and he/she will be paid for each day when he/she reports to such temporary assignment an

expense reimbursement allowance based on the following table, in lieu of any allowance otherwise payable under the foregoing paragraph a:

<u>One-way distance in miles between regular work area and temporary reporting point</u>	<u>Hours at straight- time pay at pay grade T-10</u>
0 thru 9	1
over 9 & thru 19	2
over 19 & thru 29	3
over 29	4

The foregoing notwithstanding, when such an assignment is to the Harbor Beach Power Plant the employee will also be allowed travel time for one round trip for each assignment, but at least for one round trip per week. Such travel time may be allowed during straight-time hours or outside the regular schedule.

Section 8.18. *Meals.* a. When an employee for the Trade and (those classifications listed in attachment “A” OPT Election/Recognition history hired before June 1, 1999), is required to work outside of a prearranged eight (8) hour work period on a workday or off-day, the employee will be entitled to a meal or meal money allowance to be furnished by the Company, subject to the following conditions:

(1) After two (2) hours of such work which is connected before or after an eight (8) hour work period on a workday or off-day (for the purpose of this Section 8.18, such work will be considered as “connected” even though there may be unpaid time out for eating); or

(2) When such work is not connected to an eight (8) hour work period on a workday or off-day and is not subject to a minimum pay allowance (Section 8.7), a meal will become due if the employee is at work six (6) or more hours after the normal quitting time of the employee’s last eight (8) hour work period, except that, Meals or meal money allowances are not to be paid for such work on an off-day unless an employee is called out to report for such work with notice of two (2) hours or less.

(3) After a meal is due under (1) or (2), if such work continues, additional meals will become due at intervals of five (5) hours, except that, for working a double shift (two connected standard eight (8) hour work periods), only two (2) meals will be furnished or paid for, and No meals will become due during a standard eight (8) hour work period unless the employee has worked continuously (unpaid time out to eat does not break the continuity) for a period which started three (3) or more hours before the normal starting time of that standard eight (8) hour work period. But for the employee's convenience, a meal which becomes due prior to the standard eight (8) hour work period may be postponed and taken during such work period.

(4) If a meal is due and the Company does not furnish it, the Company will give the employee an allowance of \$10.00.

(5) Time out from work for eating will not be paid for unless the time out is fifteen (15) minutes or less.

(6) Where a Company restaurant is available, meals provided for herein may be furnished while the restaurant is open (maximum cost of \$7.50); otherwise, such meals will normally be eaten at the times specified above. However, the Company may shift the meal time by up to one (1) hour before it is due or one (1) hour after it is due.

(7) In any event, meals as referred to herein will not be due more often than once every five (5) hours.

(8) Time spent for training pursuits is not considered as work for the purpose of this Section.

(For those classifications listed in attachment "A" OPT Election/Recognition history)

(9) No more than two (2) meals will be allowed in a workday.

(10) Paid Eating Time – (For the Gas Division with the exception of the Credit and Collection Department employees covered by the OPT Division provisions). When an employee works two (2) hours past the end of his/her first eight (8) hours and must continue working, he/she shall be allowed a one-half (1/2) hour lunch period with no loss of pay.

For each additional consecutive four (4) hours, he/she shall be allowed another one-half (1/2) hour lunch period without loss of pay, providing the work must continue.

b. Plant operators, and Facilities Management & Services operators on duty will be permitted a maximum of thirty (30) minutes to eat one meal per regular shift on Company time, provided normal operations continue during the meal time.

Section 8.19. *Mutual Time Exchange.* (For Trade and those classifications listed in attachment “A” OPT Election/Recognition history) a. Two (2) employees of the same classification, by mutual agreement, may exchange several hours of their respective work periods or may arrange an exchange of scheduled work periods or off-days, if permission is obtained from their supervisor twenty-four (24) hours in advance, or less if the request arises because of an emergency.

b. If the Union certifies, in writing, to the Company that a majority of the employees in a bargaining unit desire that the work schedules of the group in which the Bargaining Unit Chairperson, or Local Union Vice President, or Local Union Recording Secretary, or Local Union Treasurer works, be rearranged so that said official will be on the day shift for the duration of his/her term of office, the Company will rearrange such schedules, provided that such rearrangement of schedules does not result in additional cost to the Company nor require additional employees. (The Union may elect to substitute the chief steward for the chairperson in the foregoing sentence if the chairperson and chief steward are both working a schedule which includes evening and/or night shift work.)

c. An elected Union Steward assigned to a four-shift schedule will not be transferred involuntarily from one numbered shift (crew) to another due to shift alignments or due to his/her promotion within his/her seniority group except for the purpose of balancing required skills when no one else can be transferred from said shift to accomplish that end. This applies to no more than one such Steward per each such particular numbered shift (crew).

(For the Gas Division) Work Shift Assignment — Assignment for work on shifts within a department shall be rotated by the Company within a department, by location, among all qualified employees performing work of a similar nature, unless agreed upon between the Company and the Union.

At any time during a scheduled workweek, the Company may assign any employee to work nonscheduled hours in lieu of his/her scheduled hours (refer to Article 9.5 of the Gas Addendum) or such portion of the balance of the scheduled workweek as the Company shall designate, provided that the Company shall notify the employee of the change in his/her work hours at least ten (10) hours prior to the time he/she shall be required to commence working such nonscheduled hours and provided that an employee shall not be required to work two (2) consecutive shifts. Qualified employees shall have the privilege of exchanging shift assignments if permission to do so is obtained from their immediate supervisors. The Union officers and departmental representatives referred to in Article 7.9 of the Gas Addendum, shall be excused from working any odd shift unless they request otherwise.

(For the Gas Division) - *Shift Changes for Union Representatives* — Representatives can continue to change their own shifts so that they can attend Divisional Union Officer and general membership meetings.

Section 8.20. *Work Clothing*. Where the Company requires the employees to wear uniforms, special work clothes, supplemental clothing and equipment, they shall be properly fitted, supplied and laundered by the Company. (For Trade) The Company shall also provide shoes and shoe repairs for meter readers. Galoshes and rubbers shall also be furnished meter readers for use in their work.

(For the Gas Division) - *Work Clothing* — Special work clothing will be supplied by the Company and for all Field and Shop employees in the Distribution Operations, Meter Reading, Metering, Property Operation Maintenance, Real Estate (Building Maintenance Section), Field Service Operations, Field Collection, Corrosion Control, Stock and Transportation Departments in its Detroit District. Shoes, rubbers, coats and/or jackets and liners will be supplied for Service Consumption Technicians. The number of garments issued will be governed by existing established issuance allowances. Boots or high galoshes will be supplied for employees in the Distribution Operations Department. Cleaning of the work clothing and repair of both work clothing and footwear supplied by the Company will be done by and at the expense of the Company. In addition, the Company shall supply, clean and repair protective winter clothing consisting of liners or inner jackets and caps to all those employees designated above who are required to wear uniforms and whose work assignments regularly require

them to perform duties out of doors during winter months. Liners for short jackets will be issued to Field Service personnel. The Company will stock at each station a reasonable quantity of galoshes for loan to Service employees on standby when such galoshes are required by weather conditions. The Company will provide gloves for Distribution and Station Operations employees. In addition, the Company will provide winter gloves for Service Consumption Technicians and Field Service employees.

The Company will continue to make the following articles of clothing available to eligible employees:

- a) Heavier winter stocking cap (as per sample).
- b) A totally quilted Ike jacket liner with open sleeves.
- c) 8-9 oz. double weave (100% cotton) type of pants.
- d) A tight fitting (e.g., elastic) cuff on the sur coat liner.

Work/Safety Shoes — The Company will continue to reimburse eligible employees for the purchase of American National Standard Institute (ANSI) approved work/safety shoes as defined below:

Department	Eligible Classifications Type Shoe/Reimbursement Criteria
Metering	All non-clerical classifications.
Property Operations and Maintenance	Safety shoes only/once every twelve (12) months.
Field Service	General Service Technician, Service Technician and Service Operator classifications (safety shoes only/once every twelve (12) months). Field Service Dispatcher classification (work shoes/one pair every four (4) years).

Department	Eligible Classifications Type Shoe/Reimbursement Criteria
<p>Distribution</p> <p>Note: New hires after or employees transferring into the Distribution or Corrosion Control departments on or after Nov. 1, 1986, will be required to wear safety shoes in order to be eligible for reimbursement unless there is a valid, documented medical reason why said employee cannot wear safety shoes. Shoes damaged beyond repair will be replaced on an as needed-exchange basis.</p>	<p>Field and Drafting classifications (safety or work shoes/once every twelve (12) months.</p> <p>Field Clerk classification (work or safety shoes/one (1) pair over the life of the three-year contract.</p> <p>At a minimum, sturdy footwear, (work shoe or work boot), will be worn by all Distribution department employees at all times to protect feet from abrasions, bruises, punctures, etc. Footwear such as, but not limited to, athletic types as well as open-toed shoes, sandals or moccasins will not be considered appropriate for Distribution work. It is further understood that a work shoe is considered a half boot that covers the ankle.</p>

Department	Eligible Classifications Type Shoe/Reimbursement Criteria				
Credit and Collection (Field Collections)	Field Collection classifications (work shoe/once every twelve (12) months.				
Meter Reading	<p>Meter Readers may purchase shoes and receive further reimbursement, as stipulated below or purchase vendor shoes per the approved style listing. Replacements for vendor shoes will be provided by the Company when said shoes are no longer repairable as determined by supervision. Employees who elect to purchase shoes on their own may purchase the work shoe of their choice, including a good support type athletic shoe. These purchases are limited to a maximum of two (2) pair per year. Work shoes are to be repaired at the Company's cost before they are replaced. Meter Readers will be reimbursed up to the amounts specified below:</p> <table> <tr> <td>Effective Date of Increase</td><td>Amount</td></tr> <tr> <td><u>July 12, 2010</u></td><td><u>\$160.00</u></td></tr> </table>	Effective Date of Increase	Amount	<u>July 12, 2010</u>	<u>\$160.00</u>
Effective Date of Increase	Amount				
<u>July 12, 2010</u>	<u>\$160.00</u>				

Employees are required to purchase their own work or safety shoes and all requests for reimbursement must be accompanied by an appropriate sales receipt. Employees (other than Service Consumption Technicians) will be reimbursed up to the amounts specified below:

Effective Date of Increase	Work Shoes	Safety Shoes
<u>July 12, 2010</u>	<u>\$160.00</u>	<u>\$190.00</u>

The maintenance/repair of work or safety shoes provided for herein shall be the employee's responsibility.

Section 8.21. *Absences - Permission and Notice.* (For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history) No employee, except in case of illness or injury, shall absent himself/herself from duty without first securing permission from his/her supervisor. In case of illness or injury, the employee shall make every effort to call the designated office in ample time before the usual starting time. No pay allowance shall be granted for time lost, except under unusual conditions, unless notification is given no later than by the designated starting time on the same day for an initial absence on the day shift or on day work, and unless notification is given at least one (1) hour previous to the starting time of the evening and night shifts. Where possible, an absent employee whose job requires relief by another employee will make every effort to give Management at least eight (8) hours notice of his/her intent to return to work.

Section 8.22. *Wash-Up Time.* (For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history) If a Trade employee or an OPT field employee has become unusually dirty or oily and the Company has facilities at the employee’s work site, the employee may, after securing permission from his/her immediate supervisor, take reasonable time from work to bathe and clean up before leaving work.

Section 8.23. *Operators Working Alone.* An Electrical System Substations Operator and/or a Production Operator will, except in extreme emergency, be assisted by a qualified operator when operating energized indoor 24 KV disconnects, handling energized jumpers, phasing at 4800 or higher volts, or switching, tagging or climbing on the AC network.

Section 8.24. *Apprentices.* (For the Trade and those classifications listed in attachment “A” OPT Election/Recognition history) a. Brickmason Apprentices shall be trained in both red and fire brick laying.

b. The ratio of apprentices to journeymen in those jobs having apprentices shall not exceed one (1) apprentice to two (2) journeymen. However, in those jobs where this ratio is exceeded, the Company shall not be required to meet this new ratio at once by laying off, transferring, or advancing apprentices, but the Company shall not start additional apprentices in such classifications until the above ratio is met. Nothing contained herein shall be construed to require the Company to start apprentices in any classification.

Section 8.25. *Journeyman as Leader.* a. Any Electrical Maintenance Journeyman in the Electrical System Substations, or any journeyman in the

Civil and Specialty Trades Occupational Group of Substations or in the Maintenance Occupational Group of Power Generation in a classification which had formerly been in the Construction and Maintenance Department, while assigned to lead three (3) or more other maintenance employees for one (1) full hour or more, shall be considered a leader for the duration of the assignment and shall receive during that time the leader's rate of pay.

b. Promotions to the leader's classification shall be in accordance with the terms of Section 7.13, of this Agreement. Temporary assignments may be made from the employees at the work location and shall not exceed three (3) weeks.

Section 8.26. *Division of Work.* The Production Organization will continue to assign work to the different trades in the Maintenance Bargaining Unit which were formerly in the Construction and Maintenance Occupational Group in Power Generation and the Civil and Specialty Trades in Substations (which were formerly in the Construction and Maintenance Department) in accordance with the past custom of the last named department. However, the right of the Union to question the abuse of this practice is recognized and may be dealt with through the grievance procedure. An employee will accumulate seniority in his/her regular classification, unless otherwise agreed between the parties hereto.

Section 8.27. *Work Areas.* a. There are twenty-seven (27) work areas - with limits as defined in Paragraph e of this Section 8.27. Any employee who is assigned a work area instead of a specific permanent headquarters will report to any job location within his/her assigned work area. Transportation to and from home and any job location within his/her assigned area is all personal time and expense, except as may herein be specifically noted.

b. The employee referred to in Paragraph a of this Section 8.27 will be paid an hourly premium, called "work area differential", equal to the difference between the grade maximum of his/her classification and the next higher grade maximum (i.e., one pay grade). Depending on the size of the work area and as indicated by the work area chart, the work area differential may be two, three or four times the single work area differential. For this purpose, a classification in an automatic progression will be assumed to have the grade of the highest classification in the automatic progression. Employees presently eligible to receive the area differential are shown in the work area chart.

DEFINED WORK AREAS, DIFFERENTIALS AND ELIGIBLE EMPLOYEES									
Meter Bargaining Unit	Work Area Dif.	Underground Lines Bargaining Unit	Work Area Dif.	Maintenance Occupational Group in Power Gen.*	Work Area Dif.	FM&S Substations Bargaining Units**	Work Area Dif.		
North Area Energy Center	4	Ann Arbor	2	North	3	D	1		
		Howell	2						
	2	Lapeer	2					E	2
		Marysville	3						
Port Huron	3	Mt. Clemens	1	F	2				
Macomb	1								
Pontiac	2	Newport	3			3	G	2	
Detroit	1	North Area Energy Center	4						
		Pontiac	1						
Western Wayne	3	Redford	1	South					
		Shelby	1						
Ann Arbor	3	Trombly	1						
		Western Wayne	1						

* Maintenance Occupational Group employees not assigned to a specific headquarters, such as one of the Company's power plants.

** Certain designated servicemen in Facilities Management & Services and, in the Substation Bargaining Unit, employees in the Civil an Speciality Trades

c. Underground Lines and Meter Bargaining Unit members who are assigned to a Work Area are also assigned a permanent headquarters. The work area differential provided in Paragraph b of this Section 8.27 is not applicable when a member is directed to report at and quit from his/her permanent headquarters for the day.

d. The limits of the North, South, D, E, F, G, and Meter work areas are:

(1) North Work Area

Starting at a point on Lake Huron opposite the east end of Keewahdin Road; west on Keewahdin Road to North Road; south on North Road to Maitland Road; west on Maitland to Vincent Road; south on Vincent to Bryce Road; west on Bryce to Duce; north on Duce to Oatman; west on Oatman to Brown; south on Brown to Bryce; east on Bryce to Kilgore; south on Kilgore to Lapeer (M-21); east on Lapeer (M-21) to Castor; south on Castor, Emerson, and Card Roads to Palms Road; south on Palms to Gratiot; south on Gratiot to I-75/I-375; south on I-75/I-375 to its termination and on south to the Detroit River; northeast along the Detroit River (including Belle Isle) to Lake St. Clair and into the St. Clair River; back to the starting point on Lake Huron.

(2) South Work Area

Starting at a point on the Detroit River, opposite the termination of the Chrysler expressway (I-375); north on the Chrysler to I-75 and to Eight Mile; west on Eight Mile to I-275; south on I-275 to Telegraph Road; south on Telegraph Road to the southern limit of the Company's territory; east along the southern limit of the Company's territory to a point on Lake Erie; from this point along Lake Erie and the Detroit River (including Grosse Ile) to the starting point. **The above notwithstanding, Conners Creek power plant is designated a South Area facility.**

(3) Work Area "D"

Starting at a point on Lake St. Clair, opposite the east end of the Wayne County border; west on the Wayne County border (and including Northeast Station) to Inkster Road; south on Inkster Road to Cherry Hill Road; east on Cherry Hill Road to Beech Daly Road; south on Beech Daly Road to Annapolis Road; west on Annapolis Road to Inkster Road; south on Inkster Road to Van Born Road; east on Van Born Road to Pelham Road; south on Pelham Road to Allen Road; south on Allen Road to Pennsylvania Road; east on Pennsylvania Road to the Detroit River; along the shore of the

Detroit River (but including Belle Isle) and Lake St. Clair to the starting point.

(4) Work Area “E”

Macomb County. (For Underground Lines employees and employees in the Civil Specialty Trade Occupational Group in Substations, Northeast Station is in Work Area E only.)

(5) Work Area “F”

Oakland County.

(6) Work Area “G”

Starting at a point on the Detroit River, opposite the east end of Pennsylvania Road; west of Pennsylvania Road to Allen Road; north on Allen Road to Pelham Road; north on Pelham Road to Van Born Road; west on Van Born Road to Inkster Road; north on Inkster Road to Annapolis Road; east on Annapolis Road to Beech Daly Road; north on Beech Daly Road to Cherry Hill Road; west on Cherry Hill Road to Inkster Road; north on Inkster Road to Eight Mile Road; west on Eight Mile Road to Napier Road; south on Napier Road and a straight line extension of it to Rawsonville Road (i.e., along the western borders of Northville, Plymouth, Canton, Van Buren and Sumpter Townships) and south on Rawsonville Road to Waltz Road; east on Waltz Road to Oakville Road; northeasterly on Oakville Road to Will Carleton Road; east on Will Carleton Road and Will Carleton Road extended to Gibraltar Road; east on Gibraltar Road and Gibraltar Road extended to the Detroit River; along the shore of the Detroit River (but including Grosse Ile) to the starting point.

(7) Meter Bargaining Unit work areas are the overtime work boundaries in effect as of June 7, 1999.

(8) The Underground Lines Bargaining Unit work areas are the Service Center boundaries in effect as of **July 6, 2009**.

Section 8.28. *Cable Splicing Group*. a. A Splicer **Specialist** will be assisted by a qualified employee when **requested**.

b. When properly protected, a Splicer Specialist may be required to work unassisted on exposed energized conductors or equipment up to 300 volts or, if working on street light equipment, up to 600 volts. When using a 15KV test set, the Splicer Specialist will be assisted by a qualified Cable Splicer.

Section 8.29. *Work Equipment.* a. For the Conduit Group in the Underground Lines Bargaining Unit, the Company will furnish either a heated vehicle or a shanty with stove and necessary fuel on jobs lasting more than two (2) days; all tools and equipment necessary for the proper performance of work; and salt tablets, drinking cups, and water dispenser with ice when needed.

b. The Company shall not require an Underground Lines Bargaining Unit employee working in or around steam holes to stand on top while his/her relief works, but shall allow the employee to seek shelter until needed.

Section 8.30. *Truck Helpers.* Drivers of trucks pulling four-wheeled trailers, pole trucks, and cable trucks will be assigned helpers when conditions require it.

Section 8.31. *Positive Discipline.* Except as provided in Article 6, if during any discussion under Positive Discipline an employee requests Union representation, the Supervisor will cease the discussion until such time as Union representation is provided. Coaching and counseling are not discipline. If an employee is given a Written Reminder, the employee shall be notified of his/her right to be represented by a Union representative. Unless otherwise agreed between the Company and the Union, all Oral Reminders and Written Reminders shall be furnished to the Chairperson of the Bargaining Unit in which the employee works. Oral Reminders, Written Reminders, and DMLs will be deactivated in 6, 12 and 18 months, respectively, in accordance with the spirit and intent of Company Policy EM4 and the Company Employment Standards for Gas Division employees. In case of a suspension or demotion, if an employee goes for three years without discipline, earlier discipline will not be used against the employee. However, Management reserves the right to review the entire disciplinary record of any employee bidding into Fermi 2 if such an employee has received discipline within the last five years.

Section 8.32. *Employee Personnel Record.* (For the Trade and those classifications listed in Attachment "A" OPT Election / Recognition history)

When the Company makes any written record of the quantity or quality of an employee's work or of the employee's ability in the performance of his/her work for insertion into the employee's personnel records, a copy of such record shall be given to the employee. If said copy is not given to the employee within twenty (20) days (exclusive of Saturdays, Sundays, and

holidays) of the date the said written record is made, said written record will not be used in the grievance procedure or arbitration. A “Performance Discussion Guide” used for coaching or counseling will not be inserted in the employee’s personnel record.

Section 8.33. *No Discrimination.* a. Neither the Company nor the Union will in violation of any state or federal law or Company Policy (EM 1 and EM 11) discriminate against any employee in the application of the terms of this Agreement because of race, creed, color, national origin, sex, age, disability or other distinguishing characteristics as defined by said Company Policy.

b. The Union acknowledges and agrees that the Company has the right and responsibility to discipline for just cause any employee who discriminates against or harasses another employee. The Company and Local 223 are committed to eliminating discrimination/harassment in all forms in the workplace.

c. Any claims of violation of this Section 8.33 may be taken up as a grievance.

Section 8.34. *Notice - Layoff, Discharge, Resignation.* (For the Trade and those classifications listed in Attachment “A” OPT Election / Recognition history) The Company will give one (1) week’s notice or one (1) week’s pay at straight-time (forty (40) hours) in lieu of notice, to an employee being laid-off if the employee is not eligible for a layoff allowance. An employee intending to resign shall give the Company one (1) week’s notice. An employee discharged for cause during his/her regular working day will be paid for the remainder of his/her regular workday.

Section 8.35. *Choice of Headquarters.* (For Trade) a. When employees are needed at a particular headquarters or in a particular work area for a period expected to last six (6) months or more, a notice will be posted in the bargaining unit or units affected. If the expected need is for a shorter period, such a notice will be posted if, in the judgment of Management, the period is sufficiently long to warrant posting. The desire of employees for a particular headquarters or work area will be respected on the basis of seniority as defined in Section 7.2, provided reasonable qualifications and abilities of the employees being considered are not significantly different. “Significant difference” shall be “head and shoulders difference,” and such

factors as advance licenses or step-up experience shall not of themselves amount to “significant differences”. A change in headquarters to meet the desires of an employee is not a change at the Company’s request and moving expenses will not be paid.

b. Except as otherwise agreed, when an Apprentice is automatically progressed out of such category he/she will not automatically stay at the same location if there is a more senior employee elsewhere in the higher classification who prefers that location and there is a need for an additional employee in that higher classification at that location.

c. Paragraph e of Section 8.38 also applies to transfers made under this Section 8.35

Choice of Headquarters. (For those listed in attachment “A” OPT Election/Recognition history) a. When represented and non-represented employees in classifications listed in Attachment B (the Wage Rate Schedule) in this Agreement are needed at a particular headquarters for a period expected to last six (6) months or more, a notice will be posted for a period of eight (8) days throughout the organization. If the expected need is for a shorter period, such a notice will be posted if, in the judgement of Management, the period is sufficiently long to warrant posting.

b. Only employees (represented and non-represented) currently in the classification being posted will be considered for this Choice of Headquarters posting.

c. The most qualified candidate meeting the posted qualifications will be selected. However, if the vacancy is within the bargaining unit and the most qualified represented and non-represented candidates are deemed to be relatively equal, the most senior bargaining unit member will be selected. If the vacancy is outside the bargaining unit and the most qualified represented and non-represented candidates are deemed to be relatively equal, the employee with the most Company service will be selected. (Note: Relatively equal is defined as 0.2 or less differential in the ratings of the employees being compared).

d. If the posted vacancy is within the bargaining unit, a monitoring panel comprised of two Management members and two bargaining unit members will be formed. The panel, after receiving training on interviewing selection

skills, will recommend the most qualified candidate for the vacancy. Although not binding, Management will thoroughly review the panel's recommendations before selecting an applicant to fill the position.

e. If the posted vacancy is outside the bargaining unit and one or more qualified candidates are represented employees, a represented employee may be asked to serve on the monitoring panel or the Union may review the proposed recommendations before any selection is made to understand the criteria and proposed selection.

f. If the Management proposes to by-pass any employee with greater seniority or Company service, the Management will discuss the matter with the Chairperson of the Bargaining Unit (at least five (5) days before the by-pass is made effective) in an attempt to reach an agreement thereon before such a by-pass is made. In the event of disagreement, the matter may be processed through the grievance procedure to the President of the Company, or his/her delegate, whose decision shall be controlling, except that the question of whether the by-pass has been arbitrary or discriminatory may be submitted to arbitration in accordance with Article 5 of this Agreement. If the arbitrator finds the by-pass was arbitrary or discriminatory, the by-pass will be canceled.

Section 8.36. *Training.* a. The Company will conduct an ongoing refresher training program. The training will be offered to employees within their classification and location on a basis of highest departmental seniority. The training will be on an ongoing basis pending the workload and a sufficient number of employees are available

b. An employee may be given training in a higher-rated classification than his/her own without an increase in pay, provided the employee works with and does not replace a regular employee who would be required to do this work, except that employees in the bargaining unit who exchange classification to get experience for license requirements shall, during the exchange, act as part of the complement of the job.

c. The parties agree that for new work/new technology the criteria for the selection process for employee(s) testing new work/new technology will be determined by the Union leadership and the Company.

d. Once new work/new technology has been proven and a decision has been made to utilize it, additional employees will be trained as needed in accordance with paragraph a.

(For the Gas Division) - In no case will the training program referred to in paragraph (a) above be stopped for more than four (4) months.

Section 8.37. *Leave of Absence.* (For the Trade and those classifications listed in Attachment “A” OPT Election / Recognition history)

a. An employee requesting a leave of absence shall make application to his/her immediate supervisor. Upon approval of a leave of absence by the Company, a copy shall be given to the employee and to the Treasurer of the Union. A notation will be added to the Union copy indicating the reason for the leave (i.e., health, travel, Union business), and the expected duration.

b. An employee who may be called upon to transact business for the Union, which requires the employee’s absence from duty with the Company for a period of not more than three (3) years, will be given a leave of absence without pay. This leave will be renewed upon request.

c. An employee with six (6) months or more service may request a leave of absence because of illness extending beyond the period provided in the Agreement in Sections 10.7 and 10.9 for pay during illness. In justifiable cases and upon proper proof presented to the Company, Management will grant such leave of absence without pay, but not for a period of time which is greater than the time for which the employee was paid during illness under Sections 10.7 and 10.9. Management may, at its option, grant a further extension.

Section 8.38. *Posting Notices of Vacancies.* (For the Trade) a. If a vacancy occurs in any one of the bargaining units covered by this Agreement and such vacancy is not filled by promotion or transfer within the group, a notice of such vacancy shall be posted for a period of eight (8) calendar days in the bargaining unit in which it occurs. An advanced copy of the posting will be sent to the respective divisional Chairperson, for informational purposes. The company may post one job posting notice with selection priority set out in accordance with this Section 8.38.

b. If such a vacancy is not filled by a member of the bargaining unit, notice of the vacancy shall be posted in other bargaining units of the same department for a period of eight (8) calendar days. If the reasonable qualifications and abilities of the employees being considered as a result of this posting are not significantly different, total length of service in the Company shall govern. “Significant difference” shall be “head and shoulders difference”, and such factors as advance licenses or step-up experience

shall not of themselves amount to “significant differences”.

c. If such a vacancy occurs in any one of the bargaining units covered by this Agreement, which is not filled by the foregoing procedure, notice of this vacancy will be posted on the bulletin boards company-wide stating that such a vacancy exists. Such vacancies will not be filled, except on a temporary basis, until at least eight (8) calendar days after the posting of such notices, in order that employees in other units may apply. If the reasonable qualifications and abilities of the employees being considered are not significantly different, total length of service with the Company shall govern. “Significant difference” shall be “head and shoulders difference”, and such factors as advance licenses or step-up experience shall not of themselves amount to “significant differences”. When seniority is not a factor in filling a job vacancy the employee will receive notification and reason of the non-selection.

d. Failure of employees to avail themselves of opportunities for promotion or voluntary transfer shall not prejudice their future opportunities.

e. Notwithstanding any other provision of this Agreement, it is agreed that any person who is hired for or voluntarily transfers to any Union represented classification at Fermi 2 may not bid to any other job in the Company for a period of three (3) years from his/her date of transfer to Fermi 2. As an exception to this rule, a person in a Fermi 2 job may bid on other Fermi 2 jobs. Management may unilaterally waive this three (3) year requirement; however, Management’s failure to grant such a waiver will not be subject to the grievance procedure.

f. Unless otherwise mutually agreed, employees with less than six (6) months of Company service shall not be considered for any job vacancy out-side of their bargaining unit.

Posting Notices of Vacancies. (For those classifications listed in attachment “A” OPT Election/Recognition history) a. If a vacancy occurs in a represented or non-represented classification listed in the Attachment B (The OPT Wage Rate Schedule) in this Agreement, it will be posted for a period of eight (8) calendar days throughout the organization.

b. The most qualified candidate meeting the posted qualifications will be selected. However, if the vacancy is within the bargaining unit and the most

qualified represented and non-represented candidates are deemed to be relatively equal, the most senior bargaining unit member will be selected. If the vacancy is outside the bargaining unit and the most qualified represented and non-represented candidates are deemed to be relatively equal, the employee with the most Company service will be selected. (Note: Relatively equal is defined as 0.2 or less differential in the ratings of the employees being compared.)

c. If the posted vacancy is within the bargaining unit, a monitoring panel comprised of two Management members and two bargaining unit members will be formed. The panel, after receiving training on interviewing selection skills, will recommend the most qualified candidate for the vacancy. Although not binding, Management will thoroughly review the panel's recommendations before selecting an applicant to fill the position.

d. If the posted vacancy is outside the bargaining unit and one or more qualified candidates are represented employees, a represented employee may be asked to serve on the monitoring panel or the Union may review the proposed recommendations before any selection is made to understand the criteria and proposed selection.

e. Failure of employees to avail themselves of opportunities for promotion or voluntary transfer shall not prejudice his/her future opportunities.

f. Unless otherwise mutually agreed, employees with less than six (6) months of Company service shall not be considered for any job vacancy outside of their bargaining unit.

g. If the Management proposes to by-pass any employee with greater seniority or Company service, the Management will discuss the matter with the chairperson of the bargaining unit (at least five (5) days before the by-pass is made effective) in an attempt to reach an agreement thereon before such a by-pass is made. In the event of disagreement, the matter may be processed through the grievance procedure to the President of the Company, or his/her delegate, whose decision shall be controlling, except that the question of whether the by-pass has been arbitrary or discriminatory may be submitted to arbitration in accordance with Article 5 of this Agreement. If the arbitrator finds the by-pass was arbitrary or discriminatory, the by-pass will be canceled.

Section 8.39. *Swing-Stage Premium.* In the Electrical System Substations, a Structural Maintenance Journeyman will receive an additional premium equal to the difference between the grade maximum of his/her classification and the grade which is two grades above the grade maximum of his/her classification (i.e., two pay grades) while working from a swing-stage boatswain's chair, scaffold on traveling crane, on radio towers, or when painting, without the use of ladders, bucket trucks, or scaffolds (excluding small jobs which can be done from the ground) the steel structures which support 120KV or higher voltage busses and associated equipment on outdoor mats at stations.

Section 8.40. *On-Call Allowance.* (For Trade and those classifications listed in attachment "A" OPT Election/Recognition history)

a. An allowance of two (2) hours at straight-time for the first sixteen (16) hour period or less on-call will be paid an employee who remains on-call, at the Company's request, between two of the employee's regular work periods on consecutive days. Time spent on-call in excess of the first sixteen (16) hour period will be paid at one-half (1/2) hour for each four (4) hour period or fraction thereof.

b. An allowance of two (2) hours at straight-time for the first eight (8) hour period or less on-call will be paid an employee who remains on-call, at the Company's request, between two of the employee's regular work periods when a holiday or off-day intervenes between such work periods. Time spent on-call, in excess of the first eight (8) hour period, will be paid at one-half (1/2) hour for each two (2) hour period or fraction thereof.

c. For the purposes of this Section 8.40, a work period of four (4) or more hours for an employee on a holiday or off-day is considered as a regular work period within the meaning of Paragraphs a and b of this Section 8.40, provided notice of such work is given to the employee before the start of the on-call period preceding the prearranged work.

d. (For those classifications listed in attachment "A" OPT Election/Recognition history) Exempt employees are not eligible for the on-call allowance.

Section 8.41. *General Orders, Routine Instructions, Company Memorandums and Company Policies and Practices.* (For Trade and those classifications listed in attachment "A" OPT Election/Recognition history)

The provisions of General Orders, Routine Instructions, Company Memorandums and Company Policies and Practices will neither supersede nor be interpreted as superseding, without the written agreement of the Union, any provision contained in this Agreement. Copies of General Orders, Routine Instructions, Company Memorandums and Company Policies and Practices which deal with matters covered by this Agreement will be promptly furnished by Management to the Union.

Section 8.42. *Training Committee Structures, Roles and Responsibilities.* Training committees shall be formed for each bargaining unit. Training committees shall be structured to ensure strategic execution of business unit objectives, align training activities within the business unit and address performance needs/gaps resulting from changes occurring in regulatory requirements requirements, job scope, procedures, equipment, systems, assessments and technology. Training committees shall ensure the effectiveness of current and proposed training activities. Techniques such as analysis, design, development, implementation and evaluation shall be applied where and when applicable.

Each Training Advisory Group will consist of members from Management (2), Training (1), Local appointee (1), and Bargaining Unit (2), each possessing voting rights. Training committees shall meet at mutually agreed upon times at the request of any two members. If agreement on a particular proposal cannot be reached by a majority vote of the members, the proposal of the Management members shall be recommended subject to the Union's right to grieve under Article 4 and 5. All training committees shall meet on Company time.

Section 8.43. *Clinker Poking Premium.* A Power Plant Operator will receive an additional premium equal to the difference between the grade maximum of his/her classification and the grade which is two grades above the grade maximum of his/her classification (i.e., two pay grades) while performing the duties of bottom ash removal by using steel poking rods or pipes by hand poking from below at a large and troublesome clinker while a unit is in service. A large and troublesome clinker is defined as an abnormal clinker which requires one hour or more of continuous extended actual poking.

Section 8.44. *Performance Evaluations.* (For those classifications listed in attachment "A" OPT Election/Recognition history) a. The parties are com-

mitted to maintaining an objective employee performance evaluation process recognizing that it is of value to both the Company and the employee.

b. The parties agree that both the Company and Union will be involved in the employee performance evaluation process. The process will include participation by as many people as practical including the employee's Supervisor and peers. Evaluations will be conducted by people properly trained in its use and will address problems as they occur and provide a method for addressing them and improving performance.

c. When an employee receives a four (4) on an evaluation item, the employee and the employee's supervisor will agree on an action plan. Periodic reviews on the employee's progress under the action plan will take place.

Article 9

HOURS OF WORK AND OVERTIME

(For the Gas Division see Article 9 of the Gas Addendum)

Section 9.1. *Standard Workday and Work Week.* The standard workday shall consist of eight (8) working hours, consecutive except as interrupted by lunch periods. [For those classifications listed in attachment "A" OPT Election/Recognition history the standard workday shall consist of eight (8) working hours, consecutive except as interrupted by lunch periods or altered by departures from schedules], and the standard work week shall consist of five (5) regularly scheduled eight (8) hour work periods on as many work-days. The two (2) remaining days in the pay week of seven (7) consecutive days from Monday through Sunday shall be known as "off-days," and shall, within the limits of reasonable operating procedure, be scheduled consecutively. (For the Trade) - When an employee is required to delay the start of his/her normal unpaid midshift meal for one (1) hour or more, the normal midshift meal period will be considered as time worked, and he/she may eat on Company time as soon thereafter as is practical.

Section 9.2. *Duration of Workdays and Off-Days.* The workday (including holidays) begins at the starting hour of the scheduled work period and extends for twenty-four (24) hours, except on shift change. Any off-day begins at the same starting hour of the previously scheduled work period and extends for twenty-four (24) hours, except on shift change. When workdays or off-days are changed or rotated, workdays or off-days may be longer or shorter than twenty-four (24) hours and, in such cases, the workday following the change begins at the starting hour of the next scheduled shift.

Section 9.3. *Change in Work Schedules.* No changes in the present work schedules will be made until the matter is discussed with the Bargaining Unit Chairperson or his/her substitute along with one additional Union designated representative and, if agreement on such changes cannot be reached, the schedules proposed by the Company shall be worked subject to the Union's right to bring a grievance under Article 4, but arbitration under Article 5 shall be limited to the question of whether the schedule proposed by the Company is arbitrary. The arbitrator's decision will uphold or deny the proposed schedule. The Company will review and discuss with the Union suggestions for improvement in work schedules.

Section 9.4. *Shift Schedules.* Where shift schedules are in force, the Company shall make every reasonable effort to equalize Saturday and Sunday work. The shifts shall be known as the night shift (starting about midnight), the day shift (starting around 7:00 a.m. to 9:00 a.m.), and the evening shift (starting around 3:00 p.m. to 5:00 p.m.). For shift employees, not more than one (1) regular work period shall be scheduled in any twenty-four (24) hour period, except on scheduled changes of shift.

Section 9.5. *Non-Shift Schedules.* The regular working hours for non-shift employees will usually be included between approximately 7:30 a.m. and 4:30 p.m., except for the customary changes due to light or traffic conditions. Normally, the five (5) regular workdays will be Monday through Friday. However, Saturday may be scheduled as one (1) of the five (5) regular workdays when conditions are such that the work cannot, within the limits of reasonable operating procedure, be covered within the normal Monday through Friday work week. The working schedules of such employees shall be assigned in advance in accordance with Section 9.8.

Section 9.6. *Departures from Schedules.* Departures from the regularly scheduled working hours may be made for an employee's convenience, provided the Company's service is adequately maintained with no increase in cost.

Section 9.7. *Due Notice - Change of Shift.* Due notice of a change from one regular shift to another is defined as follows:

a. Notice which is given through published work and shift schedules and regular revisions of them; or

b. Notice which is given twenty-four (24) hours before the start of the new shift; except that

c. For an employee who is currently working a non-shift schedule, due notice of a change of shift which shortens a Sunday off-day by eight (8) hours or more is notice which is given by the end of the shift on Friday of the same pay week; and

(For the Trade) — d. An employee in the Civil and Specialty Trades Occupational Group in Substations or the Maintenance Occupational Group in Power Generation and Fermi 2 Unit will not have his/her shift changed unless it appears that there will be enough work on the new shift to last for five (5) consecutive days; and unless such a shift under this paragraph actually lasts five (5) consecutive days. If such new shift does not continue for five (5) consecutive days, work on that shift shall be considered and paid for as work outside of and in lieu of such employee's regular shift under Paragraph a of Section 9.10; and

e. A CTO Relief employee will work day shifts on days of his/her own choice unless otherwise assigned by Management and when working a day shift on a day of his/her own choice shall have no stated number of hours' notice for a change of shift; and

f. When a CTO Relief employee is working other than a day shift on a day of his/her own choice, he/she shall receive the same notice of a change from that shift as any other employee would receive.

Section 9.8. *Due Notice - Change of Off-Days.* It is understood that due notice of change of off-days has been given when the changes are:

a. Normal changes due to shift rotation; or are

b. Changes in work schedules, notice of which and of the necessity therefore has been given to the Union and the employee by the end of the shift on Thursday of the pay week preceding the change; or are due to

c. Promotions (excluding temporary promotions for two (2) weeks or less); or result

d. When the employee is transferred or bids into an occupation with a different schedule of off-days.

e. (For the Trade) - The provisions of this Section do not apply to CTO Relief employees for whom either off-day may be changed on eight (8) hours' notice.

Section 9.9. *Premium Rates.* Hours worked under the following conditions will be compensated at the following premium rates:

a. Hours worked outside of regular shift hours on any Company-observed holiday - double time. Hours worked during regular shift hours on a holiday will be paid at time and one-half and, in addition, a holiday allowance of eight (8) hours at the employee's regular rate will be paid under the conditions provided in Section 9.13 for the regular hours of work.

b. Hours worked in excess of sixteen (16) in any one (1) workday, off-day, or continuous work period-double time.

c. Hours worked outside of the hours and days established for any employee by his/her current work schedules will be paid at time and one-half (except as modified by Paragraphs a, b or c of this Section 9.9), provided that hours worked on a shift or an off-day which is changed in accordance with Sections 9.7 and 9.8 will be considered as hours established by the current work schedules.

d. Hours worked on any off-day in the pay week other than Sunday will be paid at time and one-half.

e. Hours worked on any Sunday off-day in the pay week will be paid at double time.

f. For the first period of one (1) week, time and one-half will be paid for hours which do not overlap the regular schedule on an evening or night shift which has been established because of the needs of the service for work which is normally done days. After the first week, hours worked on such shifts will be paid for at an employee's regular hourly rate, plus a separate shift premium which shall be in the amount provided in Article 11 for each shift. Regular overtime rates shall be paid for hours worked beyond the first eight (8) hours of each workday of the newly scheduled shift. This Paragraph of this Section 9.9 applies only to employees who are in an affected classification as of the date when the evening or night shift is first established. The premium provided by Paragraph f of this Section 9.9 applies

only to those of the aforementioned employees who are actually assigned to the evening or night shift sometime within the first fifty-two (52) weeks following the date when that evening or night shift is first established.

g. When Sunday is scheduled as part of an employee's standard five (5) day week, if no half-time or full-time premium applies to the time worked, a premium of twenty-five percent (25%) of the employee's straight-time hourly rate shall be paid for such time worked on Sunday. If the employee is entitled to either an area differential or an afternoon or night shift premium, such premiums will be added after the twenty-five percent (25%) premium has been applied.

h. Should more than one premium rate apply to the same hours, only the highest premium rate will be paid. The premium rate will be one and one-half (1-1/2) or two (2) times, as the case may be, the hourly rate in effect for the employee at the time the work is performed.

i. Short Shift Change. If a shift worked with or without due notice begins eight (8) hours or less from the end of the last regular shift worked, time and one-half will be paid for the first four (4) hours of the new shift, then double time up to the starting time of the next workday or off-day, whichever is first. This does not apply when a shift of an employee's own choice is a contributing factor to a short shift change.

(For those listed in attachment "A" OPT Election/Recognition history)

j. Exempt Employees:

(1) Exempt employees should expect to work some number of hours (casual overtime) outside their regular work schedule without additional pay.

(3) When Sunday is scheduled as part of an employee's standard five day week, the employee will be paid straight time.

(4) When scheduled for overtime (non casual), the employee will be paid straight time.

When working on a holiday, the employee will be paid time and one-half for all hours worked.

Section 9.10. *Offsetting Overtime.* a. No employee shall be required to take time off during his/her standard work week for overtime, including pre-arranged overtime, worked or to be worked. However, this shall not preclude the scheduling (at premium rates) of an eight (8) hour or longer work period on a regular workday outside of and in lieu of the employee's regular work period on that day.

b. If work is not given to an employee who is assigned prearranged overtime work which is not canceled by reasonable notice, the employee will be paid from the prearranged starting time if the employee is available and ready to work.

c. If an employee is held over for an overtime assignment which is not continuous with his/her shift but begins two (2) hours or less after the employee's normal quitting time, the Company will not require the employee to take time off without pay between his/her normal quitting time and the start of the overtime work, except for a one-half hour period (or longer if the employee requests it) for a meal.

Section 9.11. *Rest Time.* a. When an employee is required to work such hours that all, or nearly all, of the employee's normal sleeping time is lost, it is the supervisor's responsibility to release him for a sufficient rest period as soon as the work permits. If an employee works such hours that the employee should be released for rest as soon as the work permits, but the employee prefers to forego his/her rest and work additional hours, the employee should not be permitted to work but should be directed to rest.

b. If the necessities of the work permit, and sixteen (16) hours or more have been worked in a twenty-four (24) hour period, the rest period should be at least eight (8) hours.

c. A rest period may be provided either because long hours have been worked or because they are anticipated.

d. An employee who is released under Paragraphs a, b, or c of this Section 9.11 by his/her supervisor during any hours of the employee's regularly scheduled forty (40) hour work week will be paid at the employee's straight-time rate for rest time during such scheduled hours.

e. When an employee who has been released from his/her regularly scheduled hours for a paid rest period is required to return to work within

ten (10) hours of his/her release (but not otherwise), the employee's paid rest time and the employee's worked time for the workday shall be added together to determine when double time should begin.

Section 9.12. *Distribution of Overtime.* (For the Trade) - a. Such overtime as becomes necessary shall be distributed without favoritism among the qualified employees in their respective overtime work groups with the objective of obtaining equal distribution.

b. The term "overtime" is defined as time paid for at time and one-half or double time except for such payments for short shift changes, and/or changes of shifts or off-days without due notice, and/or the establishment of an evening or night shift for work normally done days, and/or for work outside of and in lieu of an employee's regular work period, and/or for travel time. Union and Management representatives in each bargaining unit are not precluded, however, from agreeing to add if they wish certain non-overtime premium payments to the overtime records, provided it is understood that work assignments involving non-overtime premium payments need not be made on the basis of standings on the overtime record.

c. The respective overtime work groups will be defined in each bargaining unit. If the parties fail to agree on the definition of them, or subsequent revisions in them, Management's determination will be put into effect. However, the Union may process through the grievance procedure, including arbitration, the question of whether Management's determination was arbitrary.

d. For the purpose of accounting for the distribution of overtime, an employee low on the overtime list who is not available when called for an overtime assignment in his/her overtime work group will be charged with the hours the employee would have been paid had he/she worked, except as otherwise agreed between the Union and Management representatives in each bargaining unit. No more than one reasonable attempt to reach anyone is required. An employee who declines an overtime assignment will be charged with the hours the employee would have been paid had the employee worked. Except in an emergency no attempt will be made to reach an employee who is utilizing CTO time or has previously reported absent. For this purpose, the vacation period will be from the time reporting off duty to the time reporting back on duty and the absence period will be from the time of the report of the absence to the time the employee is cleared for

duty. Off-duty employees who do not have phones listed with the Company and on this account are not offered certain overtime will be charged as though they had declined the overtime. An employee who declines to furnish his/her own transportation, or is unable to furnish his/her own transportation (for lack of license or any other reason), for an overtime assignment will be determined to have declined the overtime.

e. When a specific maintenance or construction project is assigned to an employee or employees for completion and casual overtime work rather than another shift is required, the casual overtime will normally be worked by the employee or employees to whom the project was assigned.

f. When an employee transfers from one overtime work group to another, the employee will be charged with the median overtime hours in his/her new group, unless otherwise mutually agreed between the Union and Management representatives in each bargaining unit.

g. At the end of each calendar year, accumulated overtime hours of the employee with the lowest number will be reduced to zero, and the hours of the other employees will be correspondingly reduced, unless otherwise mutually agreed between the Union and Management representatives in each bargaining unit.

h. No grievance will be filed on the distribution of overtime if emergency conditions prevent the orderly scheduling of overtime.

i. If it is established that the Company incorrectly bypassed an employee for an overtime assignment, the by-passed employee will, within 30 working days, be offered the opportunity to work a makeup overtime assignment consisting of work which would not otherwise be done on overtime. The makeup overtime assignment will be worked on a day or days mutually agreeable to the by-passed employee and his supervisor. If they cannot agree on a mutually agreeable day or days, the employee's Bargaining Unit Chairperson and the employee's third-line supervisor will meet to resolve the issue. Such a makeup overtime assignment will provide overtime pay at the same premium and will be for the same number of hours worked as the by-passed employee would have received had he/she worked the missed overtime. When it is determined that makeup overtime cannot be reasonably accomplished, other resolutions (other than additional makeup overtime assignments) will be considered. Reasonably accom-

plished means that unless otherwise mutually agreed to by the parties, the makeup overtime must be scheduled within thirty (30) days of the bypass and the makeup assignment must be completed within ninety (90) days. However, employees will not be entitled to meals or meal money allowances for such make-up overtime assignments.

(For those listed in attachment “A” OPT Election/Recognition history) - *Distribution of Overtime.* a. Such overtime as becomes necessary shall be distributed without favoritism among the qualified employees in their respective overtime work groups with the objective of obtaining equal distribution with the understanding necessary overtime associated with a particular customer will normally be worked by the employee who has been given the assignment to work with that customer.

b. The respective overtime work groups will be defined in the bargaining unit. Questions and/or complaints about the distribution of overtime and/or the definition of work groups will be brought before the C.U.R.B. Committee for resolution. If the C.U.R.B. Committee is unable to agree, Management’s determination will be put into effect. However, the Union may process through the grievance procedure, including arbitration, the question of whether Management’s determination was arbitrary.

Section 9.13. *Holidays.* The Company recognized holidays are: New Year’s Eve, New Year’s Day, Martin Luther King Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day following Thanksgiving Day, Christmas Eve Day, and Christmas Day. With respect to holidays it is agreed that:

a. Whenever a holiday occurs, every employee will be given a day off with pay if he/she can be spared from work. If the employee cannot be spared, the employee will be paid as provided in this Agreement for working the holiday. If the day observed as a holiday falls on one of the employee’s scheduled off-days or another scheduled holiday, another day in the same pay week or the pay week preceding or following will be designated as his/her holiday in lieu of the normally observed holiday. This day will be consecutive with the employee’s off-days. Once a day has been designated as a holiday, this designated day will not be changed unless changed by Thursday of the pay week before the week in which the designated day falls. If required to work on either his/her off-day or the day designated as his/her holiday, the regular rules for time worked on such days will be applied.

b. An employee who is excused with pay on a holiday, or day designated as such, and is later required to work during his/her regularly scheduled hours will receive a minimum of twelve (12) hours' pay for the day.

c. Holiday pay will not be allowed an employee when the employee:

(1) Is scheduled to work, but without good reason fails to report.

(2) Is absent without permission on any part of the workday before or the workday after the holiday, unless it is evident that the employee was not intentionally lengthening the holiday period.

(3) Is absent without pay the entire week in which a holiday occurs.

d. Unless otherwise agreed between the parties, when one of the above holidays falls on a Sunday, it will be observed on the following Monday, and when one of the above holidays falls on a Saturday, it will be observed on the preceding Friday, except that when Christmas Eve Day falls on a Sunday, it will be observed on Tuesday, December 26th and, when New Year's Eve Day falls on a Sunday, it will be observed on Tuesday, January 2nd. However, when Christmas Eve Day, New Year's Eve Day, Independence Day, Christmas Day and New Year's Day fall on Saturday, such holiday will be observed on Saturday by an employee who is scheduled to work such Saturday as part of his/her standard five-day week, and when Christmas Eve Day, New Year's Eve Day, Independence Day, Christmas Day and New Year's Day fall on Sunday, such holiday will be observed on Sunday by an employee who is scheduled to work such Sunday as part of his/her standard five-day week.

Article 10

WAGE COLLATERALS

Section 10.1. *Committee to Study Benefits.* The Management agrees to meet with a Union Committee to study and to consider any reasonable change in practices of the Company as to group life, hospitalization and surgical insurance, pensions, and leave with pay for such reasons as illness, injury, and jury duty. Any mutual recommendation to change an existing practice shall become the basis for the reopening of the Agreement by either party on the subject of such practice. (See attached Joint Benefits Committee Letter)

Section 10.2. *Employees' Retirement Plan.* These provisions apply to all Trade and OPT employees, and to benefits accrued on or after January 1, 2005 by Gas Division employees. Additionally, these provisions, except as otherwise modified in Article 10.6 of the Gas Addendum.

(Note: For Gas Division retirement benefits prior to January 1, 2005 (or January 1, 2003 for employees hired prior to January 1, 1995), see Article 10.6 of the Gas Addendum)

Provisions of the “Employees’ Retirement Plan,” together with all amendments thereto made by the Company up to the date of this Agreement, have been given to the Union. Those provisions shall be extended to the employees represented by the Union and continued for those employees for the term of this Agreement without further change, except such as the parties may mutually agree upon or those which shall be mandated by law. A general description of the Employees’ Retirement Plan is found in the Retirement Section of the Employees’ Handbook which has also been given to the Union. However, the actual “Employees’ Retirement Plan” will be the document used to resolve any filed claims. The plan is of the type generally referred to as a funded, trusted plan. A brief description of the major provisions of the plan follows.

a. *Employees Retiring After Age 60 or After Age 58 with 30 or More Years of Service* — Eligible employees who retire at age 60 or older or after age 58 with 30 or more years of service effective May 1, 2004 will have their retirement allowance calculated by the following normal retirement formula:

Average high	Years of	Yearly
260 Weeks X 1.5%	X Benefit Service =	Retirement
of Pay		Allowance

Effective January 1, 2011, the basis for the determining average 260 weeks of pay for determining final average compensation is the highest non-consecutive 260 weeks over the employee’s last 10 years. This definition of final average compensation will continue to be based on “normal compensation” for the employee’s standard work week (base pay, step-up pay for temporary promotions, premium pay shifts, work area differential, Sunday work premium, and cost-of-living allowance

paid to certain employees), but it does not include any bonuses, over-time or other special pay. This definition of final average compensation will, however, include any lump sums paid in lieu of general increases from June 5, 1995 to June 7, 1999 and the 1% lump sum payments paid on June 3, 2003, June 3, 2002 and June 2, 2001. Lump sums paid in lieu of general increases after June 6, 2010, are included only if paid during the highest non-consecutive 260 weeks of eligible earnings during the last 10 years of credited service. With this change, the employee's benefit will not be less than the employee's accrued benefit as of December 31, 2010 calculated using the highest 260 weeks of pay over the employee's career.

If the eligible employee has less than 15 years of benefit service, the yearly retirement allowance begins at age 65.

b. *Employees Retiring Between Ages 45 and 60 Without 30 Years of Service or Between Ages 45 and 58 With 30 or More Years of Service* — Eligible employees who retire between ages 45 and 60 without 30 years of service or between ages 45 and 58 with 30 or more years of service and who do not wish to defer their retirement allowance will have their retirement allowance calculated as follows:

Total yearly Retirement allowance as calculated in paragraph (a) immediately above	X	Percentage factor from the below applicable early retirement reduction table
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If the eligible employee has less than 15 years of benefit service, the yearly retirement allowance begins at age 65.

EARLY RETIREMENT TABLES

For Employees with Less Than 30 Years of Service	For Employees with 30 or More Years of Service
% of Normal Retirement	% of Normal Retirement

<u>If Employee Retires at Age*</u>	<u>Allowance Employee Would Receive**</u>	<u>Retirement Allowance Employee Would Receive**</u>
45	27%	27%
46	29%	29%
47	31%	31%
48	34%	34%
49	37%	37%
50	40%	40%
51	43%	43%
52	46%	46%
53	49%	49%
54	53%	53%
55	66%	80%
56	74%	88%
57	82%	96%
58	90%	100%
59	98%	100%
60 or older	100%	100%

* The allowance will be divided proportionately for ages that fall between those listed.

** The percentages are applied to the amount calculated by the normal retirement formula.

c. Retirement Options — When applying for a retirement allowance, an employee must choose one of the following three options which will determine whether and how an employee's beneficiary will receive an allowance after the employee dies:

(1) *Option III (Single Life Annuity)* — This option provides an unreduced retirement allowance (as calculated in paragraph (a) or, if applicable Paragraph b of this Section 10.2) for as long as the employee lives but with no further payments to anyone after the employee dies.

(2) *Option II (50% Joint and Survivor Annuity)* — This option provides a reduced retirement allowance during the employee's lifetime. When the employee dies, the employee's beneficiary will be paid one-half of that allowance for the rest of the designated beneficiary's life. The employee may not name a new beneficiary, even if the employee remarries.

The amount received under this option is 90% of the employee's Option III retirement allowance if the employee and his/her beneficiary are the same age. However, if the beneficiary is younger, this percentage will be reduced by 1% for each 12 full months of difference in ages. If the beneficiary is older, the percentage will be increased by 1% for each 12 full months of difference in ages up to a maximum of 100%.

If the employee is married, federal law requires that this option will apply unless the employee specifically chooses otherwise in writing. If such an employee names someone other than his/her spouse as a beneficiary (under Option II or I), the employee must have written permission from the involved spouse to do so.

If employees choose this Option II and their designated beneficiary predeceases them, the employee's retirement allowance will, effective the first of the month after the death of the designated beneficiary, revert back to what it would have been had the employee retired under Option III.

(3) Option IV (75% Joint & Survivor Annuity) — Effective January 1, 2009, a 75% Joint & Survivor Annuity payment option is added from which a married participant may select. Under the optional 75% Joint & Survivor Annuity payment option, the surviving spouse will receive 75% of the reduced pension the participant was receiving prior to the participant's death. The optional 75% Joint and Survivor Annuity will be the actuarial equivalent to the life annuity option; will not include a pop-up feature; and will have no impact on the active death benefit.

(4) *Option I (100% Joint and Survivor Annuity)* — This option provides a reduced retirement allowance during the employee's lifetime. When the employee dies, that same amount will continue to be paid to the employee's

beneficiary for the rest of the beneficiary's life. The employee may not name a new beneficiary, even if the employee remarries.

The amount received under Option I is 76.5% of the Option III retirement allowance if the employee and the employee's beneficiary are the same age. If the beneficiary is younger, this percentage will be reduced by 1.2% for each 12 full months of difference in ages. If the beneficiary is older, the percentage will be increased by 1.2% for each 12 full months of difference in ages up to a maximum of 100%.

If employees choose this Option I and their designated beneficiary predeceases them, the employee's retirement allowance will, effective the first of the month after the death of the designated beneficiary, revert back to what it would have been had the employee retired under Option III.

d. *Spouse's Benefit* — The plan recognizes that an employee could die before he/she starts to receive a retirement allowance. If such an employee has been married for at least one year and is vested, the plan provides for an immediate or future monthly payment to the eligible spouse for the rest of the spouse's life. **Effective January 1, 2011, the requirement that the employee has been married for at least one year in order to be eligible for a spouse's traditional plan death benefit is eliminated.** If the surviving spouse is the same age as the employee, the monthly payment will be the amount the employee's spouse would have received under Option II (see Paragraph c (2) of this Section 10.2) had the employee left the Company on the day of death. If an employee dies after having reached age 45 and if the employee has 15 or more years of benefit service, the eligible surviving spouse will be eligible for an immediate monthly allowance. When other eligible surviving spouses qualify for future monthly allowances depends on the employee's age and benefit years of service at the time of death.

e. *Supplemental Early Retirement Allowance* — The Company will give eligible employees a Supplemental Early Retirement Allowance in addition to the employee's normal retirement allowance. Details are as follows:

(1) *Eligibility* — Employees age 55 through 61 with at least 20 years of benefit service. (2) *Duration* — This additional payment takes effect the day the employee's retirement allowance begins and ends the month after the

employee reaches age 62 or when the employee dies, whichever comes first. The plan contains no provision to pay any portion of this supplemental amount to a surviving spouse or any other beneficiary.

(3) *Amount of Allowance* — The base amount effective 7/20/04 is \$2,200 per month reduced by:

The employee's regular monthly early retirement allowance determined as if the employee had selected retirement with Option III (no payments to a survivor after employee's death).

Twenty dollars per month for every year or partial year of Company service less than 30.

Any payment received from the Company or other sources to which the Company contributes including:

- Social Security disability benefits for which the employee is or may become eligible for during the period that the employee is paid the Supplemental Early Retirement Allowance.
- Workers' Disability Compensation.
- By the amount of any other Detroit Edison Company-provided or government plan (other than military).

Note: Total amount may be prorated for Gas Division and T&SO employees to reflect the pre-2005 benefit.

f. *Deferral of Retirement Allowance* — Effective January 1, 1996, an employee who is age 45 or older with at least 15 years of benefit service or the surviving spouse of an active employee age 45 with at least 15 years of benefit service may retire and elect to defer his/her retirement allowance to any age prior to age 65.

The following rules apply to such deferrals:

(1) Deferral of the retirement allowance will not add years of benefit service beyond what the employees had when they ceased their active employment with the Company.

(2) If employees are under age 60 or under age 58 with 30 or more years of service when they elect to start collecting their deferred retirement allowance, their retirement allowance will be calculated based on their actual age at the time their deferred retirement allowance begins and the applicable Early Retirement Reduction Table. If surviving spouses elect to defer their Option II retirement allowance, they may request to start receiving the allowance at any time in the future. When they elect to start collecting their retirement allowance, it will be calculated on the age which the deceased employee would have been at the time the deferred retirement allowance begins and the applicable Early Retirement Reduction Table.

(3) If employees are eligible for a Supplemental Early Retirement Allowance (SERA), the amount of SERA will be calculated as if such employees were not deferring their retirement allowance and, upon ceasing their active employment, employees will begin receiving their SERA. When such an employee starts receiving his/her retirement allowance, his/her SERA will not be readjusted.

g. Breaks in Service — Effective January 1, 2011, if an employee temporarily leaves the Company, he or she may have a break in service. This will happen if an employee completes less than 501 Hours of Service in any 12 month period beginning on the employee's employment commencement date or any anniversary thereof. If an employee has a break in service, the employee may lose credit for the Years of Credited Service and the Years of Service for Vesting that was accumulated before the break.

If an employee was vested in the Plan benefit before the break in service began and the break in service is for more than the longer of (A) five years or (B) the Years of Service completed before the break in service, the employee will lose credit for those previous years. The employee will then begin accumulating Years of Credited Service and Years of Service for Vesting as though he or she is a new employee.

If the employee was vested in the Plan benefit before the break in service began or if the employee was not vested and the break in service is for less than the longer of (A) five years or (B) the employee's pre-

vious Years of Credited Service, the employee will receive back credit for previous years of service after the employee's return to the Company and completion of one more Year of Credited Service. Restoration of back credit for previous years of service shall be determined as follows: If an employee incurs a break in service and is reemployed before a one year break, the employee's prior years of vesting service and credited service will be immediately restored. If the employee has a one year break in service and returns to work for the Company, the service the employee earned before the break will be restored when the employee completes at least 1,000 hours of service in any anniversary year following reemployment.

h. Pension Offset for Rehired Retirees — Effective January 1, 2011, the pension benefit for an employee who is rehired after he or she has already begun to receive a pension benefit will be recalculated upon subsequent termination. The pension benefit that such employee will ultimately be eligible to receive will be the greater of the following:

- (1) The pension benefit based on the Retirement Plan provisions in effect at his or her subsequent retirement or termination date using all pay and aggregated service reduced by the actuarial equivalent of any pension benefits previously paid; or
- (2) The pension benefit which he or she was receiving at his or her initial retirement or termination date.

i. New Hire Choice of Cash Balance or Traditional Pension Plan — An employee first hired into a position represented by Local 223 on or after January 1, 2011, who has never been previously employed with a DTE Energy enterprise company, will be offered a choice of the traditional defined benefit pension plan as described above or the New Horizon Cash Balance Plan. The New Horizon Cash Balance Plan is a hypothetical account in the defined benefit pension plan that increases annually with Company contributions equal to 7% of eligible earnings at the end of each year for each year the employee has less than 30 years of credited service plus 7.5% of eligible earnings at the end of

each year for each year the employee has 30 or more years of credited service, plus interest credits based on 30-year Treasury rates for September of the prior year. Interest on each year's January 1 benefit is added the following December 31 or benefit commencement date, if earlier. (The interest credit does not apply to the current year's contribution). Participants are 100% vested in the New Horizon Cash Balance Plan following the completion of three years of vesting service with the Company. For those new employees hired under the Gas provisions of this Agreement who elect the New Horizon Cash Balance Plan, it is understood that the provisions of Article 10 of the Gas Addendum (Total and Permanent Disability) shall not apply. Such employees shall instead be eligible for the provisions of Article 10 Section 15 (Long Term Disability).

Section 10.3. *Worker's Compensation.* The Company will provide all benefits as required by the State Workers' Compensation Bureau including wage differential for those employees who are returned to work at a limited capacity. Wage Differential will be calculated based on the State Workers' Compensation formula.

The Company normally grants certain benefits in addition to those allowed by law in compensation cases. These benefits include supplemental wage continuation when medically justified for a period of up to 52 weeks. This supplemental benefit will be cumulative for each injury date but is restorable as follows: for every eight (8) hours an employee uses he/she must work eight (8) straight time hours to restore the supplemental wage continuation benefit. The restored supplemental benefits will be immediately available for use.

The Workers' Compensation due benefits, under current law paid to employees are not taxed, however, the supplemental wage is taxable. The taxable portion of the compensation will be subject to a calculated rate so as to not allow for compensation greater than the compensation the employee would normally be entitled to for a regular 40 hour workweek.

If there is a disputed claim for wage loss benefits under the Michigan Worker's Disability Compensation Act that is later accepted as compensa-

ble by the Company or found to be compensable by the worker's compensation bureau, then to the extent that the employee utilized CTO time to cover such absence, such benefits will be restored to the extent that they are still available.

(For the Gas Division) If a Gas Division employee continues to remain disabled after the depletion of the supplemental benefit (2080) and the prognosis is that the employee will be able to return to their regular job duties within 2080 hours, then the employee will continue to receive the supplemental benefits, for up to an additional 2080 hours. Further, if the employee has over 20 years of service and the prognosis is that the employee will be able to return to their regular duties within an additional 2080 hours, then they will continue to receive supplemental benefits for up to an additional 2080 hours.

Should a doctor of the employee's choice dispute the Company doctor's opinion of the recovery or expected recovery time, the employee shall be examined by a health care provider who has been mutually agreed upon and such provider shall make the final determination of the employee's recovery and ability to resume their current position. The cost of the examination by such medical staff and transportation costs to and from such hospital for these exams shall be born by the Company.

Gas Division employees who hire on or after June 7, 2004 will be governed by the Worker's Compensation provisions of the Trade and OPT agreement.

Section 10.4 *Funeral Time*. An employee will be paid regular straight-time hourly rate of pay when absent during scheduled work hours because of the death of a member of that employee's immediate family: spouse, child, father, mother, sister, brother, father-in-law, mother in-law, grandfather, grandmother, or grandchild provided:

- (i) Absence does not exceed three (3) days; and
- (ii) Absence does not extend past the funeral day; except when the deceased is a spouse, child or parent, the employee will be allowed the three (3) days of absence, even though the time off extends past the funeral day.

Exceptions:

If the burial is out of town beyond 200 miles, an extra one (1) day will be allowed for travel.

If an immediate family member dies while an employee is on scheduled CTO, the employee is eligible to receive these benefits instead of using CTO time, provided the employee:

Notifies the Company prior to the funeral

Attends the funeral

If the deceased is a stepchild, the employee will be allowed only one (1) day of absence. If the stepchild resides with the employee, three (3) days of absence will be allowed.

Section 10.5. *Jury Duty.* (For Trade and those classifications listed in attachment “A” OPT Election/Recognition History. For Gas Division see Article 10 of the Gas Addendum) a. An employee absent because of jury duty shall be allowed straight-time pay not to exceed forty (40) hours in any one (1) week for hours the employee would have otherwise worked. Time absent for jury duty shall be reported as such, but not deducted from days allowable for other reasons. Employees shall report for work whenever they are not actually on jury duty during their scheduled work periods unless otherwise instructed by their supervisors.

b. Employees who are notified that they may have to serve jury duty while scheduled to work the evening or night shift may request to have their work schedules changed from evenings or nights to days. Unless emergency conditions exist, if such employees present their supervisor with their Summons to serve jury duty within five (5) days of their receipt of such a Summons (but no less than one (1) week prior to having to serve such possible jury duty), such requests will be granted.

Section 10.6. *Life Insurance.* (For Trade and those classifications listed in attachment “A” OPT Election/Recognition History. For Gas Division see Article 10 of the Gas Addendum) a. *Coverage for Active Employees.* Upon full-time employment an employee will receive group term life insurance at no cost to the employee. The terms and conditions under which such benefits may be payable are set forth in the group term life insurance contract. The coverage hereinafter discussed is illustrative of some of the more

important provisions of said group term life insurance. The amount of the life insurance will equal two (2) times the annual base pay, raised to the next higher even multiple of \$1,000. The amount so obtained may hereafter also be referred to as the “Base Amount”. Should two (2) times the employee’s annual base pay produce an even thousand figure, the insurance coverage will go to the next higher even multiple of \$1,000. As an exception to the foregoing, if an employee is over 65 years of age (but under 70), the base amount of insurance will equal two (2) times the annual base pay times 75 percent, raised to the next higher even multiple of \$1,000, and if this 75 percent computation should provide an even thousand figure the insurance coverage will go to the next higher even multiple of \$1,000. Effective January 1, 2008, employees will have the option to purchase increased life insurance. Employees have the option to purchase up to two times annual base pay without certification during the first year of the contract, and up to one time annual base pay without certification for the remainder of the contract duration.

Base pay for this purpose does not include premium pay for overtime, shift work, or work area differentials.

If part-time employees should ever become represented by the Union, such part-time employees must be scheduled to work at least twenty (20) hours per week to qualify for this insurance. The part-time employee’s annual base pay will be figured on the basis of fifty-two (52) twenty-hour weeks, in arriving at the amount of coverage.

If temporary employees should ever become represented by the Union, such temporary employees must complete six (6) months’ continuous service to be included in the plan.

b. Coverage for Retired Employees.

(1) Normal retirement at age 65. Life insurance will be continued on a reduced basis at Company expense after an employee retires under the Company retirement plan at age 65. The amount of coverage for the employee at that time will be 50 percent of the base amounts.

Thereafter it will be adjusted on succeeding retirement anniversary dates as follows:

<u>Adjustment Date</u>	<u>% of Base Amount</u>
(a) Two (2) years after retirement	45
(b) Four (4) years after retirement	40
(c) Six (6) years after retirement	35
(d) Eight (8) years after retirement	30
(e) Ten (10) years after retirement	25

The minimum amount will never be below \$25,000 for full time employees retiring under this contract.

(2) Retirement before age 65. If the employee retires after age 55 but before age 65 and has had fifteen (15) or more years of service, the employee's coverage will continue on a reduced basis from the date of retirement as described above for normal retirements. By making monthly premium contributions, however, an early retiree can keep his/her insurance at the level of 75 percent of his/her base amount for up to five (5) years or until age 65, whichever occurs first, at which time the bi-annual reductions will begin. Such monthly contributions would be in an amount arrived at by taking 60¢ per thousand dollars of insurance times 75 percent of his/her base amount less \$1,000.

(3) Retirement after age 65. If the employee retires after age 65, the amount of life insurance coverage will be reduced immediately to the amount the employee would have if retirement had occurred at age 65. Employees who are retiring may replace any of the coverage that is reduced or discontinued by converting to an individual policy (not term insurance).

c. Miscellaneous Plan Provisions.

(1) The employee may name as beneficiary any person or persons, his/her estate, or any organization.

(2) The proceeds of the insurance will be made available promptly to the

beneficiary in accordance with the terms of the group term life insurance contract.

- (3) The employee or his/her beneficiary may elect to have the proceeds of his/her life insurance paid either in a lump sum or in monthly installments over any period of one (1) to twenty (20) years.
- (4) If an active employee becomes permanently and totally disabled by sickness or accident prior to age 60 and is unable to engage in any occupation or employment for remuneration or profit, the base amount shall be in force during the continuance of the disability. To keep this coverage in effect the employee must furnish the Company with proof, as required, of the continuance of the disability. At age 65 the insurance amount will be reduced to 50 percent.

If the employee ceases to be totally disabled or fails to furnish due proof of the continuance of such permanent total disability as required, the insurance shall automatically terminate thirty-one (31) days after the date of termination of such disability or proof of such disability unless the employee returns to active employment with the employer or is entitled to insurance in accordance with Paragraph b(1) or b(2) of this Section 10.6

- (5) If the employee leaves the Company, the employee's insurance under the plan will cease. However, the employee can transfer all or part of this insurance to an individual policy (not term insurance). This must be done within thirty-one (31) days of termination of employment. No medical examination will be required.
- (6) During a Company approved leave of absence, including a military leave, the full amount of insurance will be continued in force for the employee at Company expense.

d. Coverage for Dependents

The Company will provide dependent life insurance. The following is illustrative of the more important provisions of said insurance. The specific terms and conditions under which benefits may be payable are set forth in

the insurance contract. The insurance will be in the amount of \$20,000 coverage on the life of the legal spouse of, and \$10,000 coverage on the life of each dependent child of, each active employee, and each retired employee who retires at age 55 or later with at least 15 years of service, with coverage stopping when said active employee (beneficiary) or said retired employee (beneficiary) dies. Ex-spouses are not covered; spouse coverage applies only on the legal spouse of the employee or retiree. Dependent children must be 14 or more days old and not yet beyond the end of the year in which they reach age 19 (this can be extended to not yet beyond the end of the year in which they reach 23 if the employee or retiree is providing more than 50 percent toward their support). No other persons are considered for coverage.

Section 10.7. *Comprehensive Time Off (CTO)*. (For Trade and those classifications listed in attachment “A” OPT Election/Recognition History and Gas Division [see section 10.7H(i) for details on CTO accrual, scheduling, buy and sell provision]) To the end that an employee may have uninterrupted weekly income, notwithstanding certain unavoidable interferences with the employee’s ability to work, pay at regular straight-time rate will be allowed through a CTO program. CTO was negotiated to allow an employee to take time from his/her standard work week for the following reasons:

- (1) Vacation (see CTO scheduling rules below)
- (2) Personal sickness or non-occupational injury, or medical treatment when appointment outside of working hours is not practicable
- (3) Injury or illness of a near relative living in the employee’s immediate household of such serious nature whether it is FMLA or otherwise that the presence of the employee himself/herself is required. Pay allowed for this reason will not exceed five (5) days in any calendar year, except that Management, under unusual circumstances, may allow more. These five (5) days also include medical treatment as identified in paragraph 4 below.
- (4) Medical treatment for immediate family when appointment outside working hours is not practicable and employee must be present.
- (5) In addition to the foregoing, an employee may be allowed pay for absence due to necessary important personal business, which cannot be taken care of outside an employee’s regular working hours.

It is understood that an employee may be required to furnish reasonable proof of the disability for which pay during sick absence is to be allowed.

The Company's CTO is based on the principle that CTO pay is earned in the calendar year preceding the year in which CTO is taken.

CTO Accrual, Scheduling and Plan Provisions for Trade and those classifications listed in attachment "A" OPT Election/Recognition History Employees (provisions will be noted when applicable for Gas Division employees)

A. *Length of CTO.*

- (1) All employees (with the exception of new hires, see Section 2 below) who, on December 31 of any calendar year, have completed at least one (1) year of continuous employment (since their most recent hiring date) are entitled to CTO with pay, to be taken in the following year as stated below.
- (2) New employees and former employees who have been reemployed are granted 10 days of CTO to be used during the 1st year of hire. On the new hires anniversary date, the Company will buy back up to five (5) days of unused time and any remaining CTO will be forfeited. After the 1st year of employment, employees will be entitled to CTO as shown on chart below (applies to Gas Division employees)

Example:

Hire July 1	10 days	CTO
1 year anniversary July 1	17 days	CTO
January = Chart		

Former employees who have been reemployed are entitled to a vacation after one (1) year of continuous employment and are otherwise subject to the same practices applying to new employees hired on or after January 1, 1992. The most recent date of reemployment will be used to determine the employee's level of accrued CTO benefit. However, the length of the employee's CTO will be determined by cumulative employment.

3) Days of Paid CTO Allowed:

(a) Employees hired before January 1, 1992:

Years of cumulative employment as of December 31 of any year	CTO entitlement for the following calendar year
1 to 6 years	22
7 to 14 years	27
15 to 23 years	32
24 or more years	37

(b) Employees hired on or after January 1, 1992:

Years of cumulative employment as of December 31 of any year	CTO entitlement for the following calendar year
1 to 4 years	17
5 to 14 years	22
15 to 24 years	27
25 to 29 years	32
30 or more	37

(4) In computing cumulative employment under Subparagraph A (3) of this Section 10.7, leaves of absence shall be included but periods of non-employment shall be excluded.

(5) The terms “continuous employment” and “cumulative employment”, as used in this Section 10.7, shall include periods of creditable employment with Pennsalt Chemicals Corporation, or Wyandotte Chemicals Corporation, or Port Huron Paper Company, as well as with The Detroit Edison Company, MichCon, and Corporate Services, LLC.

(6) If a Company-observed holiday falls on a day on which the employee would have worked, or would have been excused from work with pay if he/she had not been on CTO, an additional day of CTO with pay shall be allowed. If the department's work permits, the additional day may be scheduled continuous with the CTO period.

(7) CTO days accrue and shall be taken in the calendar year in which the employee completes the service required to qualify for CTO days. CTO days and CTO pay shall not accumulate from one calendar year to another. However, if the work of the department permits, an employee may be allowed to take part or all of his/her CTO for one year in the year following, provided it is completed during the calendar week in which April 15 of that year falls. If the Company shall request an employee to forego his/her scheduled CTO, such employee shall be given pay in lieu of the scheduled CTO.

B. Effect of Leave of Absence on CTO.

(1) The CTO bank for which an employee normally qualifies, in any year will be reduced by 1/12 for each full month of absence (excluding personal disability absences) in the previous calendar year. A fraction of a day which is part of the total reduced CTO will be counted as follows: 1/2 day or less, as 1/2 day; over 1/2 day, as one (1) full day. It should be noted that CTO in two (2) consecutive calendar years following an absence may be reduced if that absence extended from one calendar year into the other.

(2) A CTO day may be scheduled immediately before or after an extended absence. However, if the absence is expected to extend into the following calendar year, the CTO day should be scheduled before the absence. If this cannot be arranged, an allowance in lieu of CTO time may be paid at any time selected by the employee before the end of the year. An employee will be eligible for CTO in the calendar year of his/her return to work from a leave of absence if he/she worked any of the preceding calendar year. The length of the employee's CTO will be reduced by any absence in the previous calendar year as provided in the preceding paragraph.

C. In computing CTO pay, one (1) week's allowance shall be equal to forty (40) hours' straight time pay at the employee's current rate.

D. Termination CTO Pay.

- (1) When employment is terminated for any reason (except as provided in the following paragraphs), an employee who has completed one or more years of continuous employment will be paid an allowance for CTO time earned but not previously taken. This allowance will be computed as follows:

The full CTO pay to which the employee was entitled on December 31 of the previous calendar year (adjusted for absences as provided in Paragraph B (Leave of Absence) of this Section 10.7).

plus

1/12 of full CTO pay for each full month elapsed since the anniversary date of employment in the current calendar year (applies only when an employee's employment is terminated following his anniversary date in the current calendar year).

less

Any CTO allowance paid in the current calendar year.

less

1/12 of the full CTO pay for each full month of continuous absence (excluding personal disability absences of less than twelve (12) full months) since the anniversary date in the year employment is terminated (applies only when an employee's employment is terminated following his/her anniversary date in the current calendar year).

- (a) For an employee with a break in employment, the anniversary date to be used in calculating termination pay will be the anniversary date of the most recent reemployment.

- (2) Employees who have not completed one (1) year of continuous employment on December 31 of the preceding calendar year but who have completed at least one (1) year at the time employment is terminated will be paid a termination CTO allowance. The allowance will amount to 1/12 of the employee's full CTO pay for each full month of continuous employment since the employee's date of

employment in the previous year, less any CTO allowance which has been paid, and less 1/12 of full CTO pay for each full month of non-disability absence since his/her date of employment.

E. Early Layoff.

A termination CTO allowance will be paid to an employee who is laid off from employment in the Company in a reduction of the work force before completing one (1) year of continuous employment, provided the employee has been employed for at least six (6) months. The allowance will be 1/12 of full CTO pay for each full month since the employee's date of employment, less any CTO allowance which has been paid, and less 1/12 of full CTO pay for each full month of non-disability absence since his date of employment.

F. CTO Scheduled Time Off.

- (1) An employee desirous of splitting his/her CTO scheduled time shall have only one first choice by seniority or Company service (as determined by the involved bargaining unit) when the schedule is made up, and a second choice only after all other employees in the employee's group have had one first choice. Each choice of a scheduled CTO period shall be for a group of at least five (5) consecutive days or the number of days remaining in an employee's CTO bank if less than five (5) days.
- (2) Each department shall canvass its CTO-eligible employees for their preferred planned CTO periods and shall establish workable planned CTO schedules as soon as possible thereafter. At an appropriate time each year, the department will obtain from employees entitled to vacations, their preferences as to vacation periods, and shall as soon thereafter as possible, establish workable vacation schedules. In establishing such schedules, the Company will respect the wishes of employees as to the time of taking their CTO insofar as the needs of the service will permit, but subject to the provisions of Paragraph A(7) of this Section 10.7. Present methods as established in various departments shall determine the order of choice of CTOs. An

employee who is ill when the CTO schedule is being made up and is unable or unwilling to indicate a choice at that time will forfeit his/her order of choice.

(3) Sickness or Non-occupational Injury or Death of Near Relative During CTO.

Should an employee be off because of a death of a near relative as defined in Section 10.4 during the employee's scheduled CTO time, the employee may be permitted to change his/her CTO (or that part remaining) to a subsequent date which will not conflict with another employee's CTO. Should an employee be off sick or off because of a non-occupational injury during the employee's scheduled CTO time, the employee may be permitted to change his/her CTO (or that part remaining) to a sick CTO code. Consideration of such requests is contingent upon prompt notice. Reasonable proof of illness or non-occupational injury or death of a near relative may be required by the employee's immediate supervisor (applies to Gas Division employees).

(4) For the Power Generation Division — Two (2) CTO days may be scheduled in the same manner and under the same provisions as the previous personal days.

G. Transition Vacation CTO.

Employees will retain what they have in their Deferred Vacation Bank at the end of 2007. Effective December 24, 2007, unused vacation at the end of 2007 will become prior year CTO and carryover to April 15, 2008. CTO time from 2007 (unused 2007 vacation) will go into the Deferred Bank (at least 10 days must be used from the 2007 CTO as detailed in General Order 136 [prior year vacation converted to CTO]), if the Bank has not met the 45 day cap. Once the Deferred Bank is at the 45 day cap, then up to 10 days of CTO in excess of 45 days will be paid out. Any remaining time will be forfeited.

H. Deferred CTO

Unused CTO time will be added to the Deferred Bank on April 15th of the following year and capped at 45 days (at least 10 days must be used

from the prior year CTO). If the Bank is at the 45 day cap, then unused time in excess of 45 days will be paid up to 10 days at their current base wage rate (or salary if applicable). Any remaining time will be forfeited. The Deferred CTO Bank could be used or will be paid out at separation or retirement (at the employee's rate of pay at separation or retirement).

The terms of General Order 136 as amended from time to time, concerning deferred vacation; apply to employees represented by the Union.

*(l) CTO Accrual, Scheduling and Buy and Sell Provisions for
GAS DIVISION EMPLOYEES*

(a) *CTO Credits/Entitlement* — CTO credits shall be accrued by an employee at the rate indicated below, for each month worked during the calendar year in which the employee completes the indicated number of years of continuous employment:

ACCRUAL POLICY

<u>If The Employee's Years of Continuous Service Are:</u>	<u>For Each Month Worked The Employee Shall Accrue:</u>
Less Than 1	17/12 CTO Credit
1 Through 5	17/12 CTO Credit
6 Through 14	22/12 CTO Credit
15 Through 19	27/12 CTO Credit
20 Through 28	32/12 CTO Credit
29 and over	37/12 CTO Credit

(b) The CTO policy as shown below indicates when the accrued CTO days can be taken:

CTO POLICY

Years of continuous service as of December 31st of any Year	CTO entitlement during the calendar year
1 thru 6	17
7 thru 15	22
16 thru 20	27
21 thru 29	32
30 or more	37

(c) Earned CTO credits for each employee shall be calculated on the basis set forth above (adjusted to the next higher one-half (1/2) day multiple) and shall be established in the calendar year in which earned as of:

- i) The day in which the employee is laid off, or his/her employment is terminated, or as of the day prior to the day on which the employee retires or is placed on military leave of absence; or
- ii.) December 31 of such calendar year for all employees not covered by (a) above.

(d) For an employee whose earned CTO credits are established under subsection (a) above, each such earned CTO credit shall entitle that employee to pay equivalent to the pay he/she would receive for one (1) normal workday at the employee's regular straight time rate and in addition thereto all earned CTO credits due such employee under (b) above, shall also be paid to the employee at the same time and on the same basis. For an employee whose earned CTO credits are established solely under (b) above, each such earned CTO credit shall entitle that employee to one (1) normal workday off with pay at his/her regular straight time rate.

(e) For the purpose of this Section a "month worked" shall be any calendar month in which the employee has worked any time, or for which the employee has received any pay from the Company under any provision of this Agreement, or for which the employee has been authorized by the Company to be absent without pay but not constituting a leave of absence within the provisions of Gas Addendum Article 10. (4), (5), (6). "Continuous employment" shall be an employee's length of service with the Company uninterrupted by an event that would cause a loss of seniority.

- i. CTO Use — Earned CTO credits to be taken as paid time off shall be taken during the twenty (20) month period and ending with the last pay period in August, immediately following the December 31 date on which such credits were established.

- ii.) CTO Scheduling — The number of employees in each classification at each location who may be scheduled for a CTO day during any given workweek shall be determined by the Company. Such determination shall be made consistent with the workload and the Company's obligation to maintain a proper working force in each activity and to provide adequate service to its customers. The Company shall make a reasonable effort to provide employees an opportunity to take planned CTO days by location and at times desired by them. CTO periods shall be scheduled pursuant to the foregoing and the following provisions.
- f) Each year between October 1 and November 1, each employee shall be canvassed by Company service date for his/her preferred planned CTO period. Each employee shall submit his/her request within three (3) weeks after being contacted. For purposes of this subsection, the Company will respond to each CTO request by no later than December 13th.
- g) In the event of conflicting requests for CTO periods, priority shall be based on greatest Company seniority.
- h) An employee who fails to designate a desired CTO schedule within the time requirement set forth in subsection (a) above, shall not be entitled to exercise a priority until after December 13th, or after all other employees have been given an equal opportunity to make their selection, whichever shall occur first, and then such priority may be utilized only with respect to the remaining unscheduled CTO periods.
- i) Free space
- j) CTO Option Plan
- (1) Buying CTO Days
- All regular full-time and part-time employees may buy up to five (5) additional CTO days.

Purchased CTO time, like all CTO time, must be scheduled accord-

ing to departmental operations. If employee does not elect to participate, the employee will retain his/her current CTO eligibility.

Employees will be paid for purchased CTO as it is taken, the same as earned CTO.

If the employee elects to enroll in the CTO Option Plan, the purchased days are added to your earned CTO days, but will be considered the second days used after carryover days to avoid forfeiture. The purchased CTO days cannot be carried forward to the next year.

The cost of each CTO day purchased is based on the employee's base salary as of December 31 of the year prior to the purchase. Salary increases between December 31 and the time the employee takes the CTO are not added to the employee's cost. The cost of purchased CTO days will spread over a 26-week biweekly pay period beginning in January.

If the employee purchases CTO days and terminates employment within forty-eight (48) weeks, before all deductions are taken, the balance of the cost of the purchased CTO days will be deducted from the employee's final pay, regardless of actual use.

- (2) Pay For Unused Earned CTO Days (Note: Vacation at the end of 2007 will become prior year CTO and treated as follows)
 - (a) All regular full-time and regular part-time employees are eligible to be paid for unused earned CTO days (at least three (3) weeks of earned CTO).
 - (b) Employees with 17 days of earned CTO may receive reimbursement from the Company for one (1) to five (5) days of unused CTO. Employees with 22 or more days of earned CTO may receive payment for one (1) to ten (10) days of unused CTO. Only earned CTO which is unused as of the twentieth (20th) month from date of award is subject to this provision.
 - (c) All other CTO days not used at the end of a twenty (20) month period will be forfeited.

- (d) When the Company pays for unused earned CTO days, the amount is a lump sum distribution in the employee's paycheck. Applicable taxes will be withheld.
- (e) The Company will not pay for unused purchased CTO days. They are forfeited if not used before the last pay period in December or termination of employment.

No other changes are being made to the Company's CTO forfeiture policy.

ELIGIBILITY SCHEDULE

Employee CTO Eligibility	Purchase Additional CTO Days	Pay For Earned Unused CTO
17 Days	1-5 Days	1-5 Days
22 and over	1-5 Days	1-10 Days

Section 10.8. *Layoff Allowance*. (For the Trade) — a. If a reduction of force is made, an employee who is laid-off from employment in the Company will receive an allowance to ease a possible hardship caused by the layoff. The total amount of the layoff allowance will be determined by multiplying (1) the total number of weeks allowable under the terms of Paragraph b of this Section 10.8 for accumulated service with the Company at the time of the layoff minus the total number of weeks or fractions thereof already paid because of previous layoffs, if any, by (2) the employee's straight-time weekly (40 hours) pay at the time of layoff. The phrase "accumulated service with the Company", as used in this section, shall include periods of creditable employment with Pennsalt Chemicals Corporation, or Wyandotte Chemicals Corporation, or Port Huron Paper Company, as well as with The Detroit Edison Company, Michigan Consolidated Gas, and Corporate Services, LLC.

- b. An employee who is laid-off in a reduction of force shall receive a lay-off allowance in accordance with the following table:

<u>Accumulated Service</u>	<u>Layoff Allowance</u>
6 months	2 weeks
1 year	4 weeks
2 years	6 weeks
3 years	8 weeks
4 years	9 weeks
5 years	10 weeks

Two (2) weeks for each additional full year over five (5), up to and including fifteen (15) years' service; three (3) weeks for each additional full year over fifteen (15) years, up to and including twenty (20) years' service; and four (4) weeks for each additional full year over twenty (20) years' service. For each full month of service since the last anniversary of the employee's adjusted employment date, an employee will receive one-twelfth (1/12) of the additional layoff allowance to which the employee would have been entitled at the completion of that year.

- c. The layoff allowance shall be in addition to accrued CTO credits.

d. When an employee is laid-off or displaced from his/her classification, pursuant to Section 7.11, the Company will not insist that he/she accept work in a classification which is more than two (2) grades lower in order to avoid being laid-off from employment in the Company.

e. If an employee accepts lower-rated work to avoid being laid-off from employment in the Company and is nevertheless subsequently laid-off from employment in the Company, the exact number of weeks allowable and the employee's weekly straight time (40 hours) pay for each such week will be determined as follows:

- (1) For accumulated service up to the time of the employee's first reduction in pay, the number of weeks allowable under Paragraph b of this Section 10.8, minus the total number of weeks and fractions thereof paid because of previous layoffs, if any, at the employee's straight time weekly (40 hours) pay in effect at the time of the employee's first reduction:

plus

- (2) The balance of the number of weeks allowable for the employee's total accumulated service under Paragraph b of this Section 10.8,

after deducting the number of weeks and fractions thereof paid because of (a) previous layoffs, if any, and (b) under paragraph (1) above, at his/her weekly straight time (40 hours) pay in effect at the time of such layoff.

Voluntary Separation Offer. (For those listed in attachment “A” OPT Election/Recognition history) If a reduction of force is made, an employee who is laid-off from employment in the Company will receive a Voluntary Separation Offer (VSO) to ease a possible hardship caused by the layoff. The terms of a Voluntary Separation Offer are outlined below:

Minimum of six weeks pay and two weeks for each year of service* (maximum of 52 weeks)

Health Care Insurance premiums paid for one year

Life insurance coverage for one year (\$25,000 maximum); if an employee is eligible for health and life insurance under retirement benefits provided by the Company, then these benefits under VSO do not apply

Up to \$2,000 tuition reimbursement for successfully completed educational courses for up to two years

Out placement services

*As used in this section, service shall include periods of creditable employment with Pennsalt Chemicals Corporation, or Wyandotte Chemicals Corporation, or Port Huron Paper Company, as well as with The Detroit Edison Company, Michigan Consolidated and Corporation Services, LLC.

Section 10.9. *Pay During Extended Disability (ED)*. a. An employee with one (1) or more years of cumulative employment who is absent from work because of disabilities resulting from personal sickness or non-occupational injury will be allowed additional pay up to the number of weeks set forth in subsection b of this Section 10.9. In order to be eligible for ED the wait period must be coded either CTO self-sick FML, CTO sick-self non-FML or unpaid sick-self (FML or non-FML). Absences of 41 consecutive work hours or more (including the wait period) require the employee to furnish the Company with medical documentation signed by the attending doctor and with such other satisfactory evidence of disability as may be required. **Note that it is the responsibility of the employee to maintain his/her correct address of record and contact information with the Company.**

Grandfathered Extended Disability hours (formerly referred to as Absence Bank hours) will be carried over and paid at 100%. These **hours** shall be and used prior to the ED bank and may not be used to satisfy the wait period. Once that bank is exhausted, the employee is eligible for an ED Bank (paid at 90%) as described below:

- (1) For each disabling non-occupational injury beginning with the first 1/2 day of each such injury (if available, CTO will be used to bridge this wait period).
- (2) **Effective December 20, 2010, for the first** disabling personal sickness **of the payroll year** after the first three (3) days of each such period of sickness; **or for the second disabling personal sickness within the payroll year after the first five (5) days of such period of sickness;** **or for the third or any subsequent disabling personal sickness within the payroll year after the first seven (7) days of such period of sickness. In each such case,** if available, CTO will be used to bridge this wait period.

NOTE: If hospitalized for three (3) full days, the three (3) day wait period (or 1/2 day for non-occupational injury) will be retroactively paid from ED time if available. **The five and seven day wait periods will not apply to life threatening disabilities (defined as entirely new illness from the prior disability) which involve inpatient care in a hospital Intensive Care Unit (ICU), Cardiac Care Unit (CCU) or hospice. Employees who qualify for this provision will be retroactively paid from the ED time if available.**

- (3) For Trade and OPT only, the Company agrees to add five (5) days at the beginning of the Extended Disability Bank to be paid at a compensation rate of 100 percent, such days will expire at the end of each year and will be renewed annually at the beginning of each year. These days are to be used only for sickness related absences and are to be used prior to **Grandfathered Extended Disability (formerly referred to as Absence Bank hours)** carryover days after application of the required waiting period.
- (4) Each employee who qualifies for ED pay under subsection (a) of this Section 10.9 shall have their ED Bank determined by the following table:

Years of Service	Maximum number of weeks allowable, paid at 90%
1-4	7 weeks (280 hrs)
5-9	10 weeks (400 hrs)
10-14	13 weeks (520 hrs)
15-19	18 weeks (720 hrs)
20-24	23 weeks (920 hrs)
25-29	28 weeks (1120 hrs)
30-34	36 weeks (1440 hrs)
35 & over	44 weeks (1760 hrs)

Employees who have Recognition Banks remaining from the previous pay program will be allowed to keep what they have in their Recognition Bank to be utilized after exhaustion of their ED. These days will be paid at 80% of current base wage rate (or salary if applicable).

The term “years of service”, as used in this section, shall include periods of creditable employment with the Pennsalt Chemicals Corporation, or Wyandotte Chemicals Corporation, or Port Huron Paper Company, as well as with The Detroit Edison Company and MichCon, and Corporate Services, LLC

Effective December 20, 2010, the time period to fully replenish an employee’s extended disability bank shall be 90 calendar days after returning to work, regardless if the next absence is for a new disability or the same disability. Disability related absences that occur within the 90 calendar days from a prior ED will continue use of the remainder of the former ED bank, if available, and then shall be unpaid. Note that the 90 calendar day period to replenish will start over again if an employee interrupts the 90 calendar day replenishment period with an ED absence.

If a holiday occurs during a period for which pay during extended disability is allowed, such holiday shall be paid as a holiday and shall not be deducted from the number of days allowable under this Section 10.9.

b. *Independent Medical Examination* — While an employee is receiving ED payments, the Company may require the employee to undergo an Independent Medical Examination (IME) to determine their continuing eligibility for ED.

The IME will be given by a medical provider chosen from a list of IME physicians that is jointly agreed upon by the Union and the Company. The Company and the Union agree to meet annually to review the jointly agreed upon IME physicians.

The Company's disability case management function (DCM) will provide the employee with a choice of IME physicians available on the mutually agreed upon list. DCM will determine which specialty is appropriate.

The employee may select an IME physician from the list provided by DCM. The employee has three (3) days from receipt of the list to notify DCM of which physician the employee has selected from the list. DCM will schedule the employee for an appointment with the physician selected and will notify the employee of the date, time and location of the appointment at least three (3) days prior to the appointment.

If the employee fails to notify DCM of a selection within three (3) days from receipt of the list, DCM will select a physician from the list, schedule the employee for an appointment with the physician selected and notify the employee of the date, time and location of the appointment at least three (3) days prior to the appointment.

The Company will pay for the cost of the IME; however, if the employee cancels or fails to attend the first scheduled appointment, DCM will schedule a second appointment with the physician selected and will notify the employee of the date, time and location of the appointment at least 24 hours prior to the appointment. If the employee cancels or fails to attend the second scheduled appointment, the Employee's ED payments will be terminated and the ED claim closed.

If the IME determines that the employee is no longer disabled from work because of disabilities resulting from personal sickness or non-

occupational injury, ED payments will terminate and the ED claim will close. DCM will notify the employee of the termination of the employee's ED claim.

The results of an IME will not determine the employee's eligibility, if any, for leave pursuant to the Family Medical Leave Act (FMLA). Second Opinion and Third Opinion medical examinations to determine eligibility for FMLA leave will be conducted separately and pursuant to FMLA regulations.

c. *Discontinuation of Benefit* — Employees accessing their ED benefit as established above, will have 15 days, exclusive of weekends and Company holidays, to provide the appropriate documentation. If documentation is not received within the 15 days, pay will cease. If the documentation is received within 21 days, exclusive of weekends or Company holidays, pay will commence on the date documentation is received. If documentation is not received within this time period, the claim will close.

Section 10.10. Health Care Coverage

a. General — The Company will make available to employees and their eligible dependents coverage for medical and hospital, prescription drug, dental, vision care, and hearing care (as eligible). Such coverage as detailed in the Summary Plan Descriptions (SPDs) applies to actives, retirees, surviving spouses and eligible dependents thereof. Effective January 1, 2008, unless otherwise noted, such benefits and benefit levels will be provided for choice from a Preferred Provider Organization (PPO), Health Maintenance Organization (HMOs) and/or Dental Maintenance Organizations (DMOs) during the life of this agreement. Benefits and benefit levels for the PPO may not be materially changed unless mutually agreed upon by the Union and the Company.

b. Benefit Administrators — It is understood that the Company may, during the term of the Agreement, change benefit administrators for any portion of the PPO with benefits equivalent to those now provided or agreed upon to be provided in the future.

c. National Health Insurance — Health care benefits provided during the life of this Agreement may be impacted by the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation, and by possible amendments thereto as well as implementing federal regulations (collectively referred to as PPACA). This Agreement may be reopened within 60 days after either party serves a written request on the other party. The basic purpose of the PPACA is to expand coverage, control health care costs and improve health care delivery systems. The parties agree that such re-opener bargaining will be consistent with the basic purpose of the PPACA and may include the impact of the PPACA on the cost sharing contemplated for the healthcare benefits provided under this Agreement. If, after discussion, the Company and the Union cannot agree on changes to this Agreement that are consistent with the requirements of the PPACA and the cost sharing contemplated under this Agreement, the parties will submit the matter to binding arbitration. The parties agree that the arbitration to be employed by the arbitrator shall be “baseball arbitration.” Each party shall submit to the arbitrator and exchange with one another in advance of the hearing their last best offers. The arbitrator shall be limited to awarding only one or the other of the two positions submitted.

d. Alternative Provider Organizations - It is also understood that the Company may, during the term of the Agreement, offer employees an opportunity to participate in one or more alternative provider organizations. For those employees who elect to participate in such alternative provider organizations, the benefit provisions will be determined by that organization and will be in lieu of corresponding benefits provided under this Agreement. Employees who elect an alternative provider organization may be required to pay the difference in cost if any between the Company's contribution towards the benefits under the PPO and the cost of the benefits as provided by the alternative provider organization. If any alternative provider organization is offered, the Company will give employees an opportunity to change their election each year.

e. PPO Office visit co-pays, deductibles, co-insurance and benefit level maximums.

1. In-Network Office Visit Co-pay - **Participants** will pay a \$25 co-pay charge for each office visit and urgent care visit from an In-Network Provider. The plan will pay for all covered charges above the employees' \$25 co-pay for office and urgent care visits. The \$25 co-pay will not apply toward the deductible. If an Out Of-Network provider renders services, the participants will be responsible for the deductible and coinsurance prior to the plan paying benefits.

2. In & Out-of-Network Deductible - Effective January 1, **2011** participants will be responsible for an In-Network & Out-of-Network annual deductible of **\$200/400** before the plan will pay for covered services. Effective January 1, **2012** participants are responsible for an In-Network & Out-of-Network annual deductible of **\$300/600** before the plan will pay for covered services. Effective January 1, **2013**, participants are responsible for an In Network annual deductible of **\$300/600 and an Out-of-Network annual deductible of \$500/1000** before the plan will pay for covered services.

3. Coinsurance — Effective January 1, **2011**, participants who receive services In-Network will be responsible for 10% of covered services up to an **Out-Of-Pocket** maximum, including deductible, of **\$500** for an individual and **\$1000** maximum for Employee plus one or more. Effective January 1, **2012**, participants who receive services In-Network will be responsible for 10% of covered services up to an **Out-Of-Pocket** maximum, including deductible, of **\$1200** for an individual and **\$2400** maximum for Employee plus one or more. Effective January 1, **2013**, participants who receive services In-Network will be responsible for **15%** of covered services up to an Out-Of-Pocket maximum, including deductible, of **\$1500** for an individual and **\$3000** maximum for Employee plus one or more. **Effective January 1, 2011, participants who receive services Out-Of-Network will be responsible for 30% of covered services up to an Out-Of-Pocket maximum, including deductible, of \$2,000 for an individual and \$4,000 maximum for Employee plus one or more. Effective January 1, 2012, participants who receive services Out-Of-Network will be responsible for 30% of covered service up to an Out-Of-Pocket maximum including deductible of \$2,000 for an individual and \$4,000 maximum for Employee plus one or**

more. Effective January 1, 2013, participants who receive services Out-Of-Network will be responsible for 40% of covered service up to an Out-Of-Pocket maximum including deductible of \$3,000 for an individual and \$6,000 maximum for Employee plus one or more.

4. Healthy living requirements will be applied to all PPO plans beginning in 2012.

i. In order to maintain the Enhanced Plan level of benefit, active employees and their spouse/same sex domestic partner (SSDP) shall be required to obtain an annual physical examination, complete a health assessment and participate in one (1) follow-up coach call. These requirements are not “outcome-based.” Other covered dependents (excluding spouse/SSDP) and retirees will not have the healthy living requirements applied.

ii. In 2012, non-compliance with the above healthy living steps will result in the member being moved to the Standard Plan, which is the negotiated plan design and contribution level of the 2013 PPO plan. Any plan design cost sharing incurred by a member while enrolled in the Enhanced Plan during a plan year shall apply towards the annual deductible and Out-Of-Pocket maximums for that year if the member is moved to the Standard Plan due to non-compliance with the healthy living requirements.

iii. In 2013, the Enhanced Plan shall be the negotiated PPO plan design and contribution level. The Standard Plan for 2013 will be negotiated by the Parties by no later than March 15, 2012. If the Parties are unable to reach agreement on the Standard Plan for 2013, the matter will be submitted to binding “baseball” arbitration, as described in Article 10.10c. It is agreed that the Parties will expedite submission of the matter to arbitration as necessary to ensure that annual enrollment timing is met.

5. Emergency Room Co-pay — There **is** a \$50 emergency room visit co-pay. The \$50 co-pay will be waived if the patient is admitted. **Effective January 1, 2012, the emergency room visit co-pay is \$100 and is waived if the patient is admitted.**
6. Chiropractic Benefit — Chiropractic benefits **are** \$600 per covered life per calendar year.
7. Hearing Benefits — The hearing benefit for each active employee and his/her dependents **are** \$600 per participant payable once every 36 months.
8. Vision Benefits — All active employees and his/her eligible dependents vision benefits **are** administered by Vision Services Plan (VSP). Certain vision benefits such as treatment of eye disease may be covered by the medical plan. When services are rendered in-network, participants **shall** pay a \$20 co-payment for exams, a \$20 co-payment for covered lenses, and a \$20 co-payment for select frames. In other words, there is only one \$20 co-payment if lenses and frames are purchased together.
9. Prescription Drug
 - i. Participants enrolled in the PPO plans **shall** pay a flat-dollar co-pay for retail drugs as follows: generic drugs \$10 and brand drugs \$25. For participants, maintenance drugs may be filled up to three times at a retail pharmacy, then must be filled through mail order. The co-pay for a 90-day script through mail order will be as follows: generic drugs \$20 and brand \$35. **Effective January 1, 2013, the co-pay for a 90-day script through mail order will be as follows: generic drugs \$25 and brand \$35. If the cost of the drug, dispensing fees and administrative fees is less than the co-pay, the participant will only pay the total cost of the prescription.**
 - ii. If available and appropriate, the employee shall use generic drugs for all fills and refills for all prescriptions. This mandate may be overridden with the prescribing doctor's written authorization.

iii. Step Therapy — The Company shall implement a Prescription Drug Step Therapy program for the following therapeutic drug categories: Proton Pump Inhibitors, Antidepressants, Sleep Medication, Anti-hypertensives, Intranasal Steroids, Migraine medications and Osteoporosis. If the prescribing physician provides support for utilization of a non-recommended drug through a coverage review process, the Step Therapy program provisions can be waived. Should additional drug categories lend themselves to inclusion into the Prescription Drug Step Therapy program as determined by the pharmacy benefit manager, the parties will review, and if appropriate, include those drug categories into the program.

iv. Mandatory Generic Dispense as Written (DAW 2) – Employees will pay the difference between generic drugs and total cost or brand drugs and total cost when no generic drugs are available.

v. Specialty Pharmacy — Participants who are prescribed long-term, high cost drugs for complex therapy for complex disease such as (but not necessarily limited to) biologics and anti-cancer treatments that are classified as a Specialty Drug by the pharmacy benefit manager, will be required to be enrolled in the pharmacy benefit manager’s Specialty Drug management program.

f. Health Maintenance Organizations (HMO): Coverage provided by individual HMOs for medical, hospital, prescription drug, vision care and hearing care will be determined by each HMO selected by the Company. HMO coverage will be described in the enrollment booklet given to employees during the annual time period in which employees choose their health care coverage for the following plan year (the annual open enrollment period).

1. **Participants enrolled in an HMO shall pay \$25 co-pay for each office visit.**
2. **Participants enrolled in an HMO shall pay for prescription drugs based on a co-pay as determined with relative neutrality to the self insured Prescription Drug Program.**

3. Each active employee and his/her eligible dependents' vision benefits shall be administered by Vision Services Plan (VSP). Certain vision benefits such as treatment of eye disease may be covered by the medical plan. When services are rendered in-network, participants will pay a \$20 co-payment for exams, a \$20 co-payment for covered lenses, and a \$20 co-payment for select frames. In other words, there is only one \$20 co-payment if lenses and frames are purchased together.
4. All HMO's offered to the Union will have healthy living requirements applied beginning in 2012. The requirements and cost sharing for each HMO's healthy living option will be determined by the HMO plan. The healthy living requirements in each HMO may or may not be the same as the Healthy Living PPO requirements described above, and may or may not have the same deadlines. Any HMO plan offered will have its own requirements for its own specific healthy living-like plan, which may include required participation in health coaching or disease management.

g. Dental

1. Dental coverage benefits and benefit levels are described in the Summary Plan Description for Dental.
2. The annual dental benefit maximum shall be \$1,500 for the Traditional Plan and the Premium Plan will be \$1,850.
3. The lifetime orthodontic limit for dependents under 19 years of age shall be \$2,500 per covered life.
4. Coverage provided by individual Dental Maintenance Organizations (DMOs) for dental care will be individually determined for each DMO as selected by the Company. DMO coverage will be described in the enrollment booklet given to employees during the annual open enrollment time period.

h. Active Employees:

1. Employee — All employees covered by this Agreement are eligible on the first of the month in which their second month anniversary

occurs. The Company will make available to employees and their eligible dependents coverage for all eligible medical and hospital, prescription drug, dental, vision care, and hearing care expenses incurred by such employees and their eligible dependents. Such coverage will be provided through a Preferred Provider Organization.

Classes of Coverage — The following three classes will be used to determine employee contribution groupings for the PPO, HMOs, and DMOs:

- Employee
- Employee plus one person
- Employee plus two or more persons

2. Dependents

- i. An eligible employee's spouse, natural children, adopted children, and stepchildren are normally eligible. However, children must be unmarried and under the age of 19. Stepchildren must live in the employee's home. Children between the ages of 19 and 25 may continue their coverage if they are dependent on the employee for more than half of their support and meet other dependency requirements. Active employees may also enroll Same Sex Partners who meet the eligibility requirements detailed in the SPD.
- ii. Eligible employees may, by making the required contribution, as referenced in A1(i) (above) cover a disabled child for medical, prescription drug, dental, hearing and vision coverage beyond the year in which they reach age 25 if they meet the required eligibility requirements set forth in the SPD.
- iii. **Sponsored Dependents**
Eligible employees may, by paying 100% of the required premium, include certain dependent parents, married children, and unmarried children beyond age 25.
- iv. **Enrollment**
An employee's choice of health care coverage (PPO, HMO, Traditional or Premium Dental and DMO) will be for the entire plan

year. Exceptions to the annual enrollment are described in the Summary Plan Description for Health Care.

3. Contribution

Effective January 1, 2008 active employees enrolled in Company sponsored health care (medical, dental and vision) plans will contribute the following amounts per pay period based on current base wages:

- 1.25% of base wage for employee only coverage
- 1.75% of base wage for employee plus one person coverage
- 2.25% of base wage for family (Employee plus two or more persons) coverage

Effective January 1, 2011, active employees enrolled in Company sponsored health care (medical, dental and vision) plans will contribute the following amounts per pay period based on current base wages:

- **1.75% of base wage for employee only coverage**
- **2.25% of base wage for employee plus one person coverage**
- **2.75% of base wage for family (Employee plus two or more persons) coverage**

Effective January 1, 2012, active employees enrolled in Company sponsored health care (medical, dental and vision) plans will contribute the following amounts per pay period based on current base wages:

- **2.00% of base wage for employee only coverage**
- **2.50% of base wage for employee plus one person coverage**
- **3.00% of base wage for family (Employee plus two or more persons) coverage**

4. Opt Out Credits:

The following “opt out credits” will be awarded based on these amounts:

Employee: \$350 **Effective January 1, 2012, this amount shall increase to \$500**

Spouse: \$500

Dependent(s): \$150

Opt out credits will be awarded when the employee declines both

medical and dental coverage on behalf of the employee, the spouse and for the eligible dependent(s) and will be available as a cash payment divided equally over the amount of pay periods in the year.

5. Working Spouse Primary Coverage Surcharge:

Working spouses (and same sex domestic partners) will be required to elect available “primary” coverage from their employer subsidized plan. Employees will pay a surcharge of \$150 per month for their working spouse or same sex domestic partner who declines “primary” coverage available from their own employer and opts for the Company plan as “primary”. If the employee’s spouse or same sex domestic partner ceases to be eligible for their company-subsidized health care during the plan year, the surcharge can be waived. This surcharge will apply to working spouses and same sex domestic partners who work full time and who are eligible for coverage from their employer. This surcharge will not apply to spouses or domestic partners who work for DTE Energy or any affiliated company or spouses/domestic partners who elect the employee’s coverage as “secondary”. If employees do not answer the working spouse employee’s questions at annual enrollment, they will be assessed a \$150 per month working spouse surcharge.

6. Totally Disabled Employees /Disability Health Care

(For Trade and those classifications listed in Attachment “A” OPT Election/Recognition History): Effective June 7, 1999, employees with 25 or more years of service who are terminated between the ages of 50 and 55 because they are permanently and totally disabled as determined by the Company (Medical Services) will receive the same health care coverage as employees retiring at age 55 with 15 years of service. Further, if in the future the retiree ceases to meet the definition used to determine the disability, the retiree will continue to remain eligible for retiree health care.

For the Gas Division, see Retiring Employees Section (B) (3).

7. Flexible Spending Account/Dependent Savings Accounts-Tax Savers Accounts:

Effective for the plan year 2004, all separate tax account dollars forfeited by Local 223 participants at the end of the calendar year will be distributed equally to the separate tax-saver account participants enrolled in the following year.

8. Leave of Absence:

Unless otherwise agreed to by the Company, employees on leaves of absence, other than illness leaves of absence, will pay 100% of the actual annual cost for health care.

i. Retiring Employees:

1. (For the Trade and those classifications listed in Attachment "A" OPT Election/Recognition History, and Gas Division retiring from the Company at age 55 or older with 10 or more years of service after age 45) may, if they desire, continue or enroll in the Company's basic health care plan, presently the PPO, with the same medical and hospital, prescription drug and dental benefits (but not vision and hearing care benefits) as provided for active employees. For the Gas Division, eligibility provisions from the prior contract are also grandfathered for the term of this contract as described in paragraph (4) below.
2. (For the Trade and those classifications listed in Attachment "A" OPT Election/Recognition History and Gas Division employees) who retire during the term of this Agreement will retain the same plan design as a retiree that they had on their last day as an active employee and will not be affected by future negotiated plan design and contribution changes.
3. The health care benefits and benefit levels for Trade, and those classifications listed in Attachment "A" OPT Election/Recognition History and employees who retire on or after 12/7/07 and Gas Division employees who retire on or after 10/5/07 and during the life of this CBA are those set forth in the SPD.
4. Employees in the Gas Division who do not meet the eligibility requirements in paragraph (1) above who retire from the Company with 30 years of service after age 18 or they meet the test of 70 years of age or older and age and service equals 70 may, if they desire, con-

tinue or enroll in the Company's basic health care plan, presently, with the same medical and hospital, prescription drug and dental benefits (but not vision and hearing care benefits) as provided active employees. The Company may also elect to provide coverage for medical and hospital care for prescription drugs, by offering coverage through selected HMOs that accept retirees. Those employees retiring under Total and Permanent Disability will be eligible for health care cover-age without regard to age and years of service.

5. If such a retired employee predeceases his/her spouse, the surviving spouse of the retiree shall have the rights as described in the Surviving Spouse section, below.

6. Dependents

(vi) An eligible retiree's spouse, natural children, adopted children, and stepchildren are normally eligible. However, children must be unmarried and under the age of 19. Stepchildren must live in the employee's home. Children between the ages of 19 and 25 may continue their coverage if they are dependent on the retiree for more than half of their support and meet other dependency requirements. Retirees can only cover the Same Sex Partner that they covered as an active employee.

(vii) Eligible retirees may, by making the required contribution, as referenced in (B) (1) (below) cover a disabled child for medical, prescription drugs, dental, hearing and vision coverage beyond the year in which they reach age 25 if they meet the required eligibility requirements set forth in the SPD.

7. Sponsored Dependents

Eligible retirees may, by paying 100% of the required premium, include certain dependent parents, married children, and unmarried children beyond age 25.

8. Enrollment — A retiree's choice of health care coverage (PPO, HMO, Traditional or Premium Dental and DMO) will be for the entire plan year. Exceptions to the annual enrollment are described in the Summary Plan Description for Health Care.

9. Contribution

- i. Retiree Contributions (applies to Trade and those classifications listed in Attachment “A” OPT Election/Recognition History employees who retire from **January 1, 2011** through June 2, 2013) **and Gas Division employees who retire from October 10, 2010 through October 13, 2013** — effective January 1, 2011 **through December 31, 2012** retirees who have not reached the age of 65 and who elect Company sponsored health care will be responsible for a flat fee of **\$100** per month. Reducing to a flat fee of **\$70** per month when the retiree reaches 65. **Effective January 1, 2013, retirees who have not reached the age of 65 and who elected Company sponsored health care will be responsible for a flat fee of \$125 per month, reducing to a flat fee of \$85 per month when the retiree reaches 65.** Employees who retire during the term of this contract will receive a \$600 taxable payment.

Those employees hired on or after June 30, 2007 to the effective date of this Agreement who are responsible for 50% of the cost of retiree healthcare, shall upon establishment of the VEBA, receive a \$1,400 contribution to the VEBA provided the employee has attained one year of service, and shall additionally receive \$20/week in Company contributions to the VEBA. These contributions will eliminate the 2007 Agreement requirement to establish an HRA account with a \$5,000 renewable deposit every five years, formerly described in Section 10.10i(1).

ii. New Hire—Retiree Contributions

New hires in the Trade, OPT and Gas Divisions after the effective date of the Agreement are eligible for access-only to retiree health care (medical and dental) upon reaching eligibility for retiree health care. Such new hire employees, after one year of service, will have \$1,400 placed into a VEBA established by the Utility Workers Union of America National Health and Welfare fund, subject to the terms of a participation agreement. Thereafter, new hires will receive \$20/week in Company contributions into the VEBA. VEBA funds may be used by retirees for out of pocket costs or premium payments. A surviving spouse (and his or her eligible dependents) of a retired employee who was hired after the effective date of this Agreement with access-only to health care shall similarly have access-only to health care benefits.

The chart below reflects cost sharing for current retirees who retired from the Gas Division and employees who retire during the term of this agreement.

Shared Care Access Fee	Retiree Cost Sharing 01-01-02 through 10-07-07	Retiree Cost Sharing on or after 07-12-10
Employee who retiree after 1992 through 2001 will be responsible for an annual SCAF of \$312 in 2007 \$332 in 2008, \$352 in 2009 and \$372 in 2010.	<p>Employees who retire on or after Jan. 1, 2002 through Aug. 2, 2004 will be responsible for \$25 per month per covered person w/cap of \$75 for a family. The retiree will be responsible for this fee until the month in which their 75th birthday occurs.</p> <p>Employees who retire on or after August 3, 2004 through October 7, 2007 will be responsible for \$25 per month per covered person with a maximum of \$75 per month for family.</p>	<p>Retiree contributions (for employees that retire between Oct. 5, 2007 to October 9, 2010): Effective January 1, 2008, retirees who have not reached the age of 65 and who elect Company-sponsored healthcare will be responsible for a flat fee of \$80 per month. Post-65 retirees will have a flat fee of \$60 per month.</p> <p>Note: In addition, for the life of this agreement employees who retire will receive a \$600 tax-able payment.</p>
NOTE: For total and permanent disability retirements, cost sharing will be the same as above without any age or service related fees.		

j. Surviving Spouses:

1. Surviving Spouses of active employees and retirees may be eligible to continue Company sponsored coverage for medical and hospital, prescription drug, dental (as well as vision care and hearing care for Surviving Spouses of active employees until age 65) expenses incurred by such Surviving Spouses and their dependents. Such benefits and benefit levels will be provided through a Preferred Provider

Organization (PPO) and are set forth in the SPDs.

Classes of Coverage — The following three classes PPO, HMOs, and DMOs:

- Surviving Spouse
- Surviving Spouse plus one person
- Surviving Spouse plus two or more persons

2. Dependents — An eligible Surviving Spouse's natural children, adopted children, and stepchildren are normally eligible. However, children must be unmarried and under the age of 19. Stepchildren must live in the Surviving Spouse's home. Children between the ages of 19 and 25 may continue their coverage if they are dependent on the Surviving Spouse for more than half of their support and meet other dependency requirements.

3. Sponsored Dependents

- i. Eligible Surviving Spouses may, by paying 100% of the required premium, include certain dependent parents, married children, and unmarried children beyond age 25.
- ii. Eligible Surviving Spouses may, by making the required contribution as referenced in A1(i) (above), cover a disabled child for the same health care coverage beyond the year in which they reach age 25 if they meet the required eligibility requirements set forth in the SPD.

Enrollment — A Surviving Spouse's choice of health care coverage (PPO, HMO, Traditional or Premium Dental and DMO) will be for the entire plan year. Exceptions to the annual enrollment are described in the Summary Plan Description for Health Care.

5. Contribution

- i. Effective January 1, 2005 all new surviving spouses of any active Trade, Gas Division and those classifications listed in Attachment "A" OPT Election/Recognition History and employees who retired

with Company provided health care and their eligible dependents may, if they desire, continue in the PPO or their HMO for a two year period starting on the date of the employee's death, with the Company paying 100% of the required premium. At the end of the two year period, surviving spouses and their eligible dependents may continue in the Company's basic health care plan, presently the PPO, by paying 10% of the required premium if the active employee was at least age 45 and had at least 15 years of service or the retiree had the Company's basic health care plan at the time of his/her death. Such coverage may be continued until such surviving spouse reaches normal Medicare age, at which time such coverage may be continued by paying 66% of the required premium. Such coverage will cease if the surviving spouse remarries. Further, if such a surviving spouse is eligible or becomes eligible for health care coverage from his/her employer, he/she must enroll for such coverage and the Company health care plan will become the secondary insurance carrier. Cost sharing, in accordance with this Section 10.10, will apply. If and when eligibility to continue in the PPO ceases, the surviving spouse may convert to an individual policy written by the same insurance company.

ii. Surviving Spouse eligibility for Gas Division (Active employee) prior to January 1, 2005:

iii. Surviving Spouse eligibility for Gas Division (Retired employee) prior to January 1, 2005.

Work-Related Death	Non-Work Related Death
<ul style="list-style-type: none"> Fully paid by Company except SCFP 	<ul style="list-style-type: none"> Greater than ten years of service spouse pays 20% of the Company's cost. Less than 10 years of service, coverage is provided, followed by (3) years of COBRA. Spouse pays: First 4 Years 20% of cost After 4 Years COBRA (102%)

The spouse pays 20% of the Company's cost. The Surviving Spouse is not reimbursed for Medicare Part B.

Section 10.11. *Free space*

Section 10.12. *Free space*

Section 10.13. *Incapacitated Employees.* a. Placement of Incapacitated Employees. It is recognized that some employees may become unable to do their regular work because of ill health or because of an incapacity arising out of and in the course of employment with the Company. In any such case, the Company shall attempt to place an employee at other work the employee can satisfactorily perform in the Company in a job classification having a pay rate as close as possible to that of his/her regular job. Such a job search will be conducted for a period of twenty (20) working days prior to terminating an employee due to incapacitation. Said job search shall include all approved open and unfilled position requisitions (posted jobs, approved unfilled requisitions and those positions open to the public). If another job is not found within these twenty (20) working days, the matter will be reviewed with the Manager of Employee and Labor Relations or the Director of Human Relations before termination. The placement of such an employee will be discussed in advance with a committee appointed by the Union, and the seniority and bidding provisions of this Agreement shall be waived in order to carry out the purposes of this Section 10.13. The seniority of such an employee shall continue to accumulate in his/her regular job, unless otherwise agreed.

b. *Pay Rate of an Incapacitated Employee.* If an incapacitated employee who has service with the Company according to the table set forth below is placed in a lower-rated job because of ill health or an incapacity arising out of and in the course of his/her employment, the employee shall be paid a rate determined as follows, or the rate of the job in which the employee is placed, whichever is higher:

<u>Years of Service</u>	<u>Pay Rate</u>
Less than 15 years	Pay rate of job in which the employee is placed
15 years but less than 2080% of the pay rate of the employee's former classification
20 years but less than 2585% of the pay rate of employee's former classification
25 years or over90% of the pay rate of the employee's former classification

If implementation of the above table results in a downward pay adjustment of more than \$1.00 an hour, the employee's pay will be reduced 30¢ an hour upon placement, and an additional 30¢ an hour every 3 months until the appropriate pay rate in the above table is reached. Such an employee will be expected to perform any of the duties of his/her former classification which the employee is capable of performing.

c. Such an employee will be provided the opportunity set forth above only with full approval of the Management in respect to the employee's ability to perform any of the jobs in question. The question of whether the Management's decision in any case was arbitrary will be subject to the grievance procedure, including arbitration.

d. An employee who has been placed in a lower classification in accordance with the provisions of this Section 10.13 might prefer, because of personal reasons, to terminate his/her employment with the Company. If so, the Company will consider making a separation allowance or supplemental retirement allowance of equivalent cost, based on the merits of each individual case.

Section 10.14. *Accidental Death and Dismemberment Insurance.* (For Trade and those classifications listed in attachment "A" OPT Election/Recognition History) For Gas Division see Article 10 of the Gas Addendum)

a. The Company shall provide to each member group accidental death and dismemberment insurance with a principal sum of two times annual base pay with a minimum of \$75,000 and a maximum of \$150,000. Effective January 1, 2008, employees will have the option to purchase supplemental accidental death and dismemberment coverage. In addition to the 2 times annual base pay company provided coverage. Employees have the option to purchase up to an additional two times annual base pay without certification during the first year of the contract, and up to an additional one time annual base pay without certification for the remainder of the contract duration. Unless otherwise specifically designated by an employee, the beneficiary shall be the same as designated under the life insurance plan.

b. In addition to the foregoing, the Company shall provide to each member a second principal sum of two times annual base pay with a minimum of \$50,000 and a maximum of \$150,000 for accidental death or dismemberment caused by a felonious assault while the employee is on Company business.

Section 10.15. *Long-term Disability Insurance.* (For Trade and those classifications listed in attachment "A" OPT Election/Recognition History) For Gas Division see Article 10 of the Gas Addendum) This is a plan to pay disability benefits to employees who become totally disabled after the effective date of this plan through sickness or accident, and the disability extends beyond the period covered by the Company sick-pay plan, but for at least five months. The Long Term Disability Section of the Handbook for Employees is the Summary Plan Description for the Long Term Disability Plan. The Official Plan Document for Long Term Disability is on file in Benefits Plan Administration. The amount of the benefit is 50% of base pay (excluding work area premium, overtime, etc.). The maximum duration of this benefit for most ailments, after payments under the Company sick-pay plan ceases, is until disability ceases or normally the attainment of age 65, whichever comes first. However, if an eligible employee becomes totally disabled on or after age 62, duration of benefits will be in accordance with the table below:

Attained Age at Disablement	Duration of Benefits in Years if Disability Continues
62	3-1/2
63	3
64	2-1/2
65	2
66	1-3/4
67	1-1/2
68	1-1/4
69-74	1
75 and over	1/2

For nervous and mental conditions, however, the maximum duration is two years, unless hospital confined.

There are offsets (or subtractions) from these benefits for the following “other income” sources:

1. Sick pay under the present Company plan,
2. Worker’s Compensation benefits,
3. Benefits available under the Federal Social Security Act (Primary Benefit only),
4. Pension Plan Benefits. However, if disability benefits begin prior to age 62, Pension Plan Benefits, at the employee’s option, may be deferred until age 65,
5. Other employer-sponsored or government plan providing disability benefits.

Regardless of these offsets, the minimum benefit under this plan would be the lesser of \$100 per month or 10% of base pay.

“Totally Disabled” means, during the first 24 months of benefits under this plan, complete inability to perform the normal duties of the employee’s regular job or any other Edison job for which the employee might be considered. After said 24 months, it means complete inability to perform the duties associated with any job, for which the employee is or becomes reasonably qualified by training, education or experience.

Section 10.16. *Employee Savings and Stock Ownership Plan.*
Effective August 1, 2004 (August 3, 2004 for Gas Division employees and November 1, 2004 for Local 223 T&SO employees), all employees are eligible to participate in the Detroit Edison Savings and Stock Ownership Plan immediately upon hire. Under the Savings Plan, all employees may contribute up to 100% of eligible compensation on a combined pre-tax, post-tax and catch up basis, after required withholdings and voluntary payroll deductions.

For Trade and those classifications listed in attachment “A” OPT Election/Recognition History, for Gas Division employees hired on or after August 3, 2004, and for Local 223 T&SO employees hired on or after November 1, 2004, except as otherwise modified for Savings Plan loans in Article 10 of the Gas Addendum:

(Note: For Gas Division employees hired prior to August 3, 2004, see Article 10 of the Gas Addendum. For Local 223 T&SO employees hired prior to November 1, 2004, see Article 10 of the T&SO Addendum.)

The Company will match \$0.50 for each \$1.00 contributed by the employee up to the first 8% of the employee’s contribution. Employee contributions in excess of 8% will not be matched by the Company.

Effective with the first payroll period in June 2006, the Company will match \$0.75 for each \$1.00 contributed by the employee up to the first 4% of the employee’s base pay contribution. In addition, the Company will match \$0.50 for each \$1.00 contributed by the employee up to the second 4% of the employee’s base pay contribution. Employee contributions in excess of 8% will not be matched by the Company.

Details of the Savings Plan, including the various investment options and possible tax deferred contributions, are described in the Summary Plan Description for the Employee Savings and Investment Plan which is found in the Employee’s Handbook. The Official Plan Document is on file in the Corporate Benefit Plan Administration Office.

Effective January 1, 2008, the Company shall provide for automatic plan enrollment for all employees hired on or after January 1, 2008. The default

deferral rate will be 4% with contributions being invested in a lifecycle fund based on the participant's age. Automatic enrollment will commence 30 days after the date of hire unless the employee has contacted **the Plan Administrator** to opt out of automatic enrollment of the plan, to increase or decrease the deferral rate or to invest in a fund other than the lifecycle fund based on the participant's age.

Section 10.17. *Flexible Spending Account.* The Company will make a Flexible Spending Account (FSA) available to all employees with six months or more of service. Through payroll deduction, employees may contribute pre-tax dollars to their FSA which then can be used to pay for medical expenses not covered by insurance and certain child and dependent care expenses. The Summary Plan Description for FSA is found in the Employee Handbook and the Official Plan Document for the FSA is on file in Group Insurance.

Article 11

SHIFT PREMIUMS

Section 11.1. *Shift Differential Pay* — (For the Gas Division) In addition to the straight time-hourly rates established by the Classification of Work and Wages, forming a part thereof, a shift differential for work performed will be \$1.20 per hour Monday through Friday on the second and third shifts and \$1.00 on the second and third shifts, Saturday and Sunday. A shift differential will be paid for all shifts that start after 11:59 a.m. and prior to 5:00 a.m.

Shift Premiums. (For the Trade and those classifications listed in attachment "A" OPT Election/Recognition history) a. In addition to the straight time classification rate, a shift premium of \$1.00 per hour shall be paid as a separate item for each hour worked by an employee on a regularly scheduled shift which begins between 12:00 noon and 8:59 p.m. (evening shift), and a shift premium of \$2.00 per hour shall be paid as a separate item for each hour worked by an employee on a regularly scheduled shift which begins between 9:00 p.m. and 5:59 a.m. (night shift).

b. An employee who is assigned to a day shift or to a non-shift schedule who works outside of one of his/her regularly scheduled eight (8) hour

work periods on a workday, or who works on an off-day, will be paid one and one-half (1-1/2) or two (2) times his/her regular straight time day shift or non-shift rate, except that if such an employee works overtime to replace an employee who is absent from an evening or night shift, the appropriate shift premium will be paid.

c. An employee who is assigned to an evening shift or to a night shift who works outside of one of his/her regularly scheduled eight (8) hour work periods on a workday, or who works on an off-day, will be paid one and one-half (1-1/2) or two (2) times the sum of his/her regular straight time day shift rate plus the shift premium (if any) which applied to his/her last regularly scheduled eight (8) hour work period, except that if an employee who is assigned to an evening shift works overtime to replace an employee who is absent from a night shift, the higher shift premium will be paid.

d. No shift, Sunday, or other premium or pay differential will be paid upon hours allowed for paid absences, vacations, or on-call periods.

Article 12

CLASSIFICATIONS AND WAGES

Section 12.1. *For the Trade — Wage Rates.* a. The job classifications of the employees covered by this Agreement and the base wage rates to be paid for such classifications are set forth in Schedule 1, and are part of this Agreement.

b. Where automatic progression between classifications or within the pay rate range of a classification is provided by this Agreement, it is understood that an employee must qualify for the advancement in order to receive it, and must normally wait six (6) months at the maximum rate of the lower classification before being promoted to the higher classification. Should a question arise as to qualifications of an employee on such a progression, the Management will take the matter up with the Union and disagreement between the parties shall be subject to the grievance procedure, including arbitration, but arbitration shall be limited to the question of whether the Company's decision was arbitrary or discriminatory. Should an employee be stopped in a progression, the employee's status will be reviewed semiannually.

c. Rate progressions starting at Grade 5 are based on the assumption that the employee has previously attained the Grade 4 rate in other employment in the Company. The starting rate of an employee who has not had such experience will be one or two grades lower.

Wage Rates. (For those classifications listed in attachment “A” OPT Election/Recognition history) a. The job classifications of the employees covered by this Agreement and the base wage minimum and maximum rates to be paid for such classifications are set forth in Attachment B (OPT Wage Rate Schedule) and are part of this Agreement.

b. Employees not at their wage rate maximum will be eligible for the following Progression Merit Increases the first Monday of each June of this Agreement:

<u>Performance Review Rating</u>	<u>Progression Merit Increase</u>
Excellent	4%
Model	3%
Solid	2%

Such Progression Merit Increases will be calculated after the June General Increase, if any, is implemented. If the above Progression Merit Increase would increase the employee’s pay rate over the maximum range for his/her classification, such an employee will only have his/her pay rate increased to the maximum range for his/her classification.

Section 12.2. Company-Union Objectives. a. The Company and the Union mutually recognize that an increased standard of living of employees comes from the cooperation of all parties in promoting technological progress and better work methods and procedures, and in preventing waste and inefficiency. The Company and the Union agree that it is the objective of the Company to provide good service to its customers at the lowest cost consistent with its obligation to provide fair wages and good working conditions to all of its employees and its duty to provide a fair return to its investors. To achieve that objective requires the united efforts of the Management, the employees, and the Union.

- b. *Job Security.* Changes in organization, methods, materials, and job classifications have been necessary to assure the continued success of the Company, and security and opportunity for its employees. These changes have been planned in a manner which has permitted the transfer of the employees affected to other work, reasonably comparable in nature, classification, and pay, without unnecessary hardship to any such employee and consistent with the Company's obligation to its customers and investors. The Management of the Company intends, general business conditions permitting, to use the same careful planning and consideration for the affected employees in introducing any further changes it may find necessary. This statement of policy does not change or alter any of the terms of this Agreement between the Company and the Union.

Long Range Workforce Planning. The Company and the Union recognize that due to the rapidly changing business environment of an emergent competitive utility industry, there is a necessity to jointly develop work-force strategies for becoming best in that business environment. To this end, the Company and the Union will at the respective bargaining unit level and agreed upon classification(s), in concert with Local Union approval, develop and implement long range workforce planning strategies which shall include, but not be limited to, the following:

1. Enhancement of skills and training to achieve employment security and business success.
2. Co-creating New Venture initiatives throughout DTE, both inside and outside our service territory.
3. Sharing of resources among Bargaining and Business Units.
4. Ensure that Local 223 is the workforce of choice over contractors.
5. Incorporate the Partnership Principles which encompass DTE, Core Values.

6. Review of the workforce planning initiatives across Bargaining and Business Units.
 7. Develop entrance strategies, including community involvement.
 8. Develop exit strategies to meet business needs while sustaining core workforce skills.
- c. *Outsourcing and Contracting of Work.* In the event the Company plans the outsourcing or contracting for work regularly and customarily done by Local 223 members, the Company will give the respective bargaining unit timely notification including the rationale, and relevant proposed terms and conditions of the contract so that the Union will have an opportunity to participate in discussions prior to these other resources being utilized.
1. At such time, the Company representative making the notification, and/or responsible for outsourcing or contracting, will afford the Union an opportunity for effective input on the Company's plan and make, if practical alternate plans. It is the intention of the company and the Union to reach consensus or review and discuss barriers on the utilization of Local 223 resources.
 2. If there are unforeseen or emergency situations under these circumstances the company will in any case give the Union prior notice. Once the situation is stabilized the above process will be implemented.
 3. Once a contractor is on site for longer than the planned term in any one of the bargaining units discussions will be reinitiated in accordance with part (1).
 4. The Company and the Union agree to establish a Joint Resource Utilization Committee in each business unit and at the Local 223 LMC to develop and implement this Labor Strategy to ensure that Local 223 members are the best business choice consistently when given the choice of contracting or outsourcing work. The purpose of these Committees will be to:

Review usage of outsourcing/contractor/ resources for comparison and discussion of potential barriers including estimated versus actual costs and scope of job.

Develop and review historical data for utilization trends

Develop and implement a short term labor utilization tool for submitters to use for guidance in deciding when to utilize the in-house workforce or contractors

Develop and implement a Long-term labor planning tool through the review of appropriate data for utilization by the parties for joint workforce planning including developing and enhancing internal work force skill sets and complement.

5. The parties reserve their rights under section 8.5 for the Trades, OPT and Gas.

d. The parties have had intensive discussions concerning the addendum contained in the 1999 collective bargaining agreement. It is agreed that the addendum Long-range workforce planning intentions and understanding language needs concrete implementation action plans. Therefore the parties have agreed to the following:

1. Review and update quarterly with Business and Bargaining units for following year implementation
2. Complete the review by the fourth quarter at the LMC meeting
3. Provide Human Resources the documentation to execute the plan from a common template
4. Hiring will be staged by calendar quarters
5. Workforce plans will integrate hiring with orientation and training
6. Create a replacement strategy for knowledge transfer
7. Review and discuss at the monthly LMC any changes that need to occur in the workforce plan

The hiring organizations will be responsible to develop the workforce plan with the appropriate bargaining unit chairperson and jointly present the plan at the Local 223 LMC meeting.

g. The Company, utilizing the Labor Management committee (LMC) forum, shall provide the Local 223 Leadership Committee advance notice of any proposed significant new technology changes as soon as is practicable under the existing circumstances. This advance notice shall contain the following information:

- Description of purpose and function of the technological change
- How the new technology fits into existing operations and processes,
- The number and types of jobs that would be changed, added or eliminated by the proposed technological change
- The anticipated impact on the skill requirements of the workforce
- Details of any training programs connected to the new technology including duration, content and who will perform the training
- Outline of any other options that were considered in the process of formulating the proposed change
- Expected impact of the change on job content, safety and health, training needs and contracting

Article 13

MILITARY SERVICE

Section 13.1. *Military Leaves.* a. Military leaves will be given to employees, other than temporary employees, who enter military service. Military leaves will be continued only as long as employees are eligible for re-employment rights under the Selective Service Act of 1948, as amended.

b. A returning veteran who is not qualified for the position and pay rate to which he/she would have been entitled had he/she remained in the active employ of the Company will be given reasonable assistance to qualify. The veteran will be given such position and pay as soon as he/she is qualified. In the interim, he/she will be given at least his/her former position and the present corresponding rate of pay.

Section 13.2. *Benefits Accompanying Military Leaves.* a. *Pay Grants.* Pay grants will be given to employees other than temporary employees who, because of age or reserve status, are subject to call and who present satisfactory evidence that they have entered military service. The amount of the pay grant will vary as follows:

<u>Months of Continuous Service</u>	<u>Amount of Pay Grant*</u>
Less than 6 months	0
6 months.....	10 days' pay**
7 months.....	11 days' pay
8 months.....	12 days' pay
9 months	14 days' pay
10 months	16 days' pay
11 months.....	18 days' pay
12 months or more	20 days' pay

* Exception: The amount of pay grant for employees who enlist in a Reserve Program for six (6) months' active duty will be one-quarter (1/4) of this schedule.

** Eight (8) straight time hours per day at the employee's current rate.

b. *Retirement Plan.* A military leave will not be considered a break in service for purposes of the plan. Service credit for periods of military leave will be given in accordance with terms of the Retirement Plan.

c. *Health Care Coverage.* Employees who enter military service will not be covered under the Company's health care coverage. However, eligible dependents of employees absent on military leave will continue their health care coverage as detailed in Section 10.10 at Company expense for the duration of their leave. Employees must make application for reinstatement within thirty-one (31) days of their return to the Company in order to keep the coverage in force.

Article 14

MISCELLANEOUS

Section 14.1. *Conflicts.* If any provision of this Agreement conflicts with any Presidential or other governmental proclamation, directive, regulation, or any federal or state law, order, or regulation now or hereafter issued, such provision hereof shall not remain binding, but the remaining portions of this Agreement will remain in full force. Any such provision shall then be opened for renegotiation between the parties hereto for the purpose of reconciling the conflict.

Section 14.2. *Duration of Agreement.* All provisions of this Agreement shall be effective **June 7, 2010** except as otherwise provided for herein. The terms and provisions of the Collective Bargaining Agreement which pertain to Trades, OPT and Gas will be consolidated for all purposes except with respect to expiration date. In this regard, the terms and provisions of the Collective Bargaining Agreement which pertain to Trades and OPT will expire at 11:59 pm on **June 2, 2013**, and the terms and provisions of the Collective Bargaining Agreement which pertain to Gas will expire at 11:59 pm on **October 13, 2013**.

Section 14.3. *Posting Agreement.* As soon as feasible after this Agreement is signed by the Company and the Union, (but not to exceed twenty (20) days after said signing, unless mutually agreed otherwise) copies of this Agreement will be posted by the Company on all Company bulletin boards in each bargaining unit.

Section 14.4. *Authority of Union Representatives.* The undersigned representatives of the Union hereby certify that the execution of this Agreement, as to each bargaining unit described herein, has been duly authorized in accordance with the charter and governing rules of Local 223 and of the National Union, Utility Workers Union of America, and, as signed, is fully binding upon the Local and National Unions and the membership of the Local Union.

Section 14.5. The Company and the Union subscribe to the objectives of Title VII of the Federal Civil Rights Act of 1964 as amended,

Executive Order 11246, the Vietnam-Era Veterans' Readjustment Assistance Act of 1974, the Rehabilitation Act of 1973, as amended, the Michigan Civil Rights Act of 1977, and the Michigan Handicappers' Civil Rights Act of 1976, the American disabilities Act of 1992 and the Family Medical Leave Act of 1993.

Section 14.6. *Employee Assistance Program.* Recognizing that a mentally and physically healthy employee is an asset, the Company and Union agree to a joint Employee Assistance Program (EAP). The joint EAP will provide services for the treatment of alcohol, other drugs, or personal problems which may affect job performance or the personal well being of employees and their dependents.

Section 14.7. *Concerning Regular Part-Time Employees:* (For those classifications listed in attachment "A" OPT Election/Recognition History and The Customer Service Department of the Gas Division) Should Management determine that it is necessary to hire regular part-time employees or if a full time employee (forty (40) hour work week) wishes to change his/her status to a regular part-time employee, Management will discuss the matter with the Bargaining Unit Chairperson prior to taking any such action. Notwithstanding any other provisions of this Agreement, such Regular Part-Time Employees are to be distinguished from other employees in the following ways:

a. Such Regular Part-Time Employees are not normally scheduled to work a standard workday or standard work week but are regularly scheduled to work a minimum of twenty (20) hours per week and normally less than forty (40) hours per week.

b. The working hours or off-days of such a Regular Part-Time Employee can be changed without prior notice and without premium penalties, but Management is expected to give as much notice as practical, and at least two hours notice.

c. Such Regular Part-Time Employees will be paid at their straight-time rate up to forty (40) hours a week except that they will be paid premium rates as provided for full-time employees if they work in excess of eight (8)

hours in a workday or sixteen (16) hours in a continuous work period, and when working a full-time work week, the overtime premiums for full-time employees will apply.

d. A holiday allowance for such a Regular Part-Time Employee will be equal to pay for the number of hours, up to eight (8), that the employee would normally be scheduled to work that day but will not be less than four (4) hours.

e. Pay for work on a holiday by such Regular Part-Time Employees will be at time and one-half and if they work more than their scheduled hours their holiday allowance will be equal to pay for the number of hours, up to eight (8), that they actually work that day.

f. Extended Disability Allowances (in hours) for such a Regular Part-Time Employee will be determined by multiplying the number of weeks provided in the standard allowance schedule (twenty (20) days is four (4) weeks) by twenty (20) hours.

g. The amount of Life Insurance for such a Regular Part-Time Employee will be based on an annual base pay determined by multiplying the employee's hourly rate of pay by one thousand-forty (1040) hours. The figure of \$25,000 as found in Paragraph 6b of Section 10.6 (Coverage for Retired Employees) is reduced by one-half for such Regular Part-Time Employees, i.e., \$25,000 becomes \$12,500.

h. The amount of CTO (in hours) for such a Regular Part-Time Employee will be determined by multiplying the average of the straight time hours worked per week in the preceding calendar year by the number of weeks of vacation for which he/she is eligible based on length of service.

i. The amount of the Voluntary Separation Allowance for such a Regular Part-Time Employee will be as described in Section 10.8 and divided by two (2).

j. The amount of Accidental Death and Dismemberment Insurance for such a Regular Part-Time Employee will be in the amount of a principal sum of \$37,500, i.e., where the Agreement refers to \$75,000 with respect to

Accidental Death and Dismemberment Insurance substitute the figure of \$37,500 in connection with such a Regular Part-Time Employee.

k. Such Regular Part-Time Employees are not entitled to military leaves of absence nor military pay grants, but are, of course, entitled to reemployment insofar as provided by law.

l. Vacancies in such Regular Part-Time Jobs are not posted. Such Regular Part-Time Employees are eligible to bid on posted full-time vacancies after one year of service.

m. For such Regular Part-Time Employee, the Supplemental Early Retirement Allowance provided for in Paragraph 2(e) of Section 10.2 will be reduced by 50%.

n. Pay progression steps for such Regular Part-Time Employees are twice as long as those for full-time employees, i.e., 1/4 year becomes 1/2 year, and 1/2 year becomes 1 year.


o. Such Part-Time Employees regularly scheduled to twenty (20) to twenty-nine (29) hours a week will pay 50% of the Health Care Plan (Section 10.10) plus 100% of any HMO differential. Such Part-Time Employees regularly scheduled to work thirty (30) to thirty-nine (39) hours a week will pay 25% of the Health Care Plan (Section 10.10) plus 100% of any HMO differential.

p. Upon hiring into the Company, Savings Plan participation is open to Regular Part-Time Employees with six months of Company service.

IN WITNESS WHEREOF, the parties hereto have, by their representatives duly authorized in the premises, executed this Agreement on June 7, 2010.

Local Union No. 223 of the Utility Workers Union of America

By:



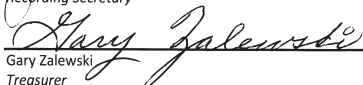
James C. Harrison
President



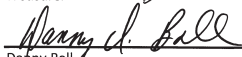
Richard D. Harkins
Vice President



June Heath
Recording Secretary



Gary Zalewski
Treasurer



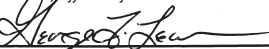
Danny Ball
Chair, Meter Division



John Holmes
Chair, Stores Division



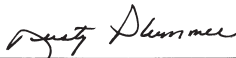
Alan Grayewski
Chair, Office Professional and Technical Division



George Lewis
FM&S Division



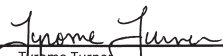
Arnold Petty
Chair, Warren Service Center Shop Division



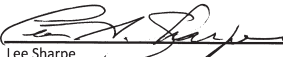
Russell Plummer
Power Generation Division



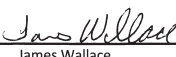
Jemone Taylor
Chair, Substations Division



Tyrome Turner
Gas Division



Lee Sharpe
Chair, Nuclear Generation Division

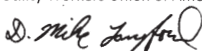


James Wallace
Chair, Underground Lines Division



Mike Watkins
Chair, Motor Transportation Division

Utility Workers Union of America, AFL-CIO



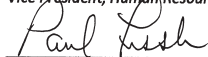
D. Michael Langford
National President

The DTE Energy Company

By:



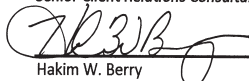
Larry E. Steward
Vice President, Human Resources



Paul Fessler
Vice President, Fossil Generation



Stacy Abbott
Senior Client Relations Consultant



Hakim W. Berry
Contract Compliance Expert



S. Rae Gross
Director, Legal



Jerome K. Hooper
Benefits Administration



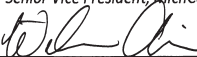
Herman V. Morris
Senior Labor Relations Specialist



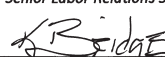
Diane M. Antishin
Director, Human Relations



Robert Richard
Senior Vice President, MichCon



William Aluia
Senior Labor Relations Specialist



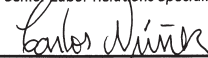
Kenneth R. Bridge
Director, Financial Performance Excellence



Ronald Haberstroh
Internal Hearing Officer



Bob Kayl
Senior Labor Relations Specialist



Carlos Nunez
Senior Labor Relations Specialist

Mr. James C. Harrison
Local 223, UWUA, AFL-CIO
15160 Commerce Drive North
Dearborn, MI. 48120-1225

Dear Mr. Harrison:

Subject: Joint Benefits Committee

In the spirit of the DTE operating system principles, Local 223 and the Company agree to establish a Joint Benefits Committee as an ongoing joint forum to pursue the mutual interest of the parties in the areas of health and welfare and retirement benefits.

This committee represents an integration of The Health Care and Retirement Committee and The Committee to Study Benefits, and replaces these two previously established committees. As to 401(k) plan matters, the company's Savings and Investment Plan Committee currently has a member representing Local 223's interest.

The committee membership will consist of both Union and Company representatives, will meet on company time and will meet at least on a quarterly basis. This joint committee will function in an advisory capacity with respect to the following activities:

1. Investigate matters pertaining to the cost effective and efficient delivery of the contractually agreed upon health care coverage;
2. Evaluate the success of health care carrier and provider efforts to meet performance standards;
3. Explore and recommend alternative health and welfare delivery systems, programs for cost containment and quality assurance;
4. Review and analyze appropriate information to determine trends in health care and prescription drug programs;
5. Analyze, evaluate and recommend effective member communication vehicles for health and welfare and retirement benefit choices and options;
6. Explore the potential establishment of an HAP healthy living plan;
7. Explore co-pay incentives on drugs and office visits associated with chronic diseases;

8. Under the oversight of this Committee, establish an OTC pilot with an incentive and conduct a check and adjust after one year;
9. Explore feasibility for an onsite pharmacy to be launched as a pilot focusing on mail-order;
10. Continue to monitor specialty drug utilization;
11. Explore possible override of one-year waiting period for new prescription drugs;
12. Promote and educate wellness and disease management issues.

The members of this committee will provide a periodic update on the progress of the bulleted items above to the Vice-President of Human Resources and President of Local 223.

In the event either party determines that further review is required for this letter and/or modification to the Committee's charter, the Vice-President of Human Resources and President of Local 223 will be advised.

Dennis L. Dabney
Director, Human Relations

Mr. James C. Harrison
Local 223, UWUA, AFL-CIO
7041 Schaefer Road
Dearborn, MI. 48126-1891

Dear Mr. Harrison:

Subject: Modification to contract and creation of an MOU

Any writings that modify the Collective Bargaining Agreement and/or create new Memorandums of Understanding's between the parties must be executed by the Director of Human Relations and the UWUA's Local 223's President.

Mr. James C. Harrison, President
Local 223, UWUA, AFL-CIO
15160 N. Commerce Drive
Dearborn, MI. 48120-1225

Dear Mr. Harrison:

Subject: New hire — Employee Retirement Plan Choice

This will confirm the parties understanding regarding implementation of the New Hire Employee Retirement Plan Choice provisions of the Agreement as follows:

1. The Company and the Union agree that effective January 1, 2011, employees newly hired after that date under the Gas Contract(s) who select the New Horizon Cash Balance Plan as their retirement plan will be covered under Long Term Disability provisions of the Electric Contract and not the Total and Permanent disability provisions of the Gas Contract(s) in the event the employee becomes totally disabled.
2. Newly hired employees will have 60 calendar days in which to make a retirement selection. If a retirement selection is not made within this 60 calendar days, the employee will be defaulted to the traditional pension plan as described under Article 10, Section 2 of the CBA.
3. In the event an employee newly hired under the Gas Contract becomes totally and permanently disabled during the 60 calendar day selection period identified above, the employee will be considered as not having made a retirement plan selection pursuant to item 2 above and will be defaulted into the traditional pension plan. In this case, the employee, if otherwise eligible, will have Gas Contract disability benefits apply.

Mr. James C. Harrison
Local 223, UWUA, AFL-CIO
15160 Commerce Drive N.
Dearborn, MI. 48120

Dear Mr. Harrison:

Subject: Joint Compensation Committee

Local 223 and the Company agree to establish a Joint Compensation Committee as an ongoing joint forum to pursue the mutual interest of the parties with respect to pay administration and other areas related to pay administration.

The Committee membership will consist of 3 Union representatives and 3 Company representatives. The Committee will meet at least on a quarterly basis and the meetings will be held on Company time. The Joint Committee will function in an advisory capacity with respect to the following activities:

1. Review department specific incentive plans that include Local 223 employees and provide recommendations regarding plan design and implementation.
2. Coordinate discussions that involve the review of a Local 223 Gainsharing Plan.
3. Identify opportunities and provide recommendations to simplify the general pay increase process and within-classification pay progression process.
4. Review the current process for finalizing the pay rates of newly established jobs and provide recommendations for improving the effectiveness of the current process.

All joint recommendations made in regard to the above mentioned activities will be communicated and addressed through the Labor-Management Committee (LMC) on a quarterly basis.

In addition, any disputes that arise in the operation of this Committee and with respect to the topics under its responsibility will be addressed for resolution through the LMC.

ATTACHMENT 1

MEMORANDUM OF UNDERSTANDING 12-HOUR SHIFTS

This Memorandum of Understanding is entered into on June 7, 2010, between Local 223 of the Utility Workers Union of America, AFL-CIO, hereinafter referred to as the “Union”, and the Detroit Edison Company, hereinafter referred to as the “Company”

WITNESSETH:

WHEREAS, the Company and the Union are parties to a Collective Bargaining Agreement dated June 7, 2010, hereinafter referred to as the “Agreement”; and

WHEREAS, the Company and the Union desire to continue the 12-hour shift schedule at Monroe and St. Clair Power Plants for the Fuel Supply Operators A, B and C classifications and at Belle River, Monroe, River Rouge, St. Clair, Connors Creek, Greenwood Energy Center and Trenton Channel Power Plants for the Power Plant Operator and Senior Power Plant Operator classifications; and

WHEREAS, the Company and the Union recognize that certain provisions of the Agreement must be changed to implement said 12-hour shift schedule,

NOW, THEREFORE, NOTWITHSTANDING ANY OTHER PROVISION OF THE AGREEMENT, THE COMPANY AND THE UNION AGREE THAT:

1. The following provisions of the Agreement will be modified or superseded as follows:

Section 1.3, Application of Provisions, will read:

Unless the context otherwise clearly indicates, all provisions of this Agreement shall apply to all employees covered by this Agreement who are on a 12-hour shift schedule.

Section 8.2, Full-Time Employment, will read:

The Company agrees that any employee, other than a part-time or seasonal employee, who is scheduled to work on the first day of his/her work week, will be guaranteed a minimum of thirty-six (36) hours of straight time pay for the three (3) day work week and forty (40) hours of straight time pay for the four (4) day work week, provided the employee reports for work and is in condition to work. This does not preclude suspensions or discharges for just cause, or layoffs as provided in Section 8.34 hereof. It is understood that in case of a shortage of work in his/her own group the employee will do any work assigned which the employee is capable of performing.

Section 8.18.18a, Meals, Subsection 18a and subparagraph (1), (2) and (3) to Subsection 18a, will read:

- a. An employee will be entitled to a meal or meal money allowance to be furnished by the Company, subject to the following conditions:
 - (1) If an employee is called to report for work at once (Reference Section 8.16), a meal will become due three (3) hours after the time of the call if the employee is still at work;

otherwise
 - (2) A meal will become due when fourteen (14) consecutive hours have been worked.
 - (3) After a meal is due under (1) or (2) above, additional meals will become due every five (5) hours thereafter, provided the employee is still at work.

Section 9.1, Standard Workday Period and Work Week, will read:

The standard workday period shall normally consist of twelve (12) consecutive working hours, and the standard work week shall be determined by the twelve (12) hour shift schedule in effect. The standard pay week will consist of seven (7) consecutive days from Monday through Sunday. However, Management reserves the right to change work schedules in accordance with Section 9.3.

Section 9.2, Duration of Workdays and Off-Days, will read:

Unless otherwise agreed, all workdays, holidays, and off-days begin at 7:00 a.m. on one calendar day and extend twenty-four (24) hours into the next calendar day.

Section 9.4, Shift Schedules, will read:

Where the twelve (12) hour shift schedule is in force, the Company shall make every reasonable effort to equalize Saturday and Sunday work. The shift shall be known as the night shift (starting around 7:00 p.m.) and the day shift (starting around 7:00 a.m.). For shift employees, not more than one (1) regular work period shall be scheduled in any twenty-four (24) hour period.

Section 9.9, Premium Rates, Subsections 9a, 9b, 9d, and 9e, will read:

- a. Hours worked outside of regular shift hours on any holiday observed as defined in Section 9.13 of this Memorandum, double time. Hours worked during regular shift hours on a holiday will be paid at time and one-half and, in addition, a holiday allowance of eight (8) hours at the employee's regular rate will be paid under the conditions provided in Section 9.13, for the regular hours of work. If the holiday falls on an employee's scheduled off-day, the employee will be paid the eight (8) hour holiday allowance for that holiday off-day. In addition, if such an employee later works on his/her holiday off-day, the employee will be paid double time for all hours worked during the holiday off-day.

- b. Any worked hours which are connected before and/or after a standard twelve (12) hour work period (straight time or overtime) will be paid at time and one-half, provided the full twelve (12) hours are actually worked. In addition, any hours worked in excess of sixteen (16) in any one (1) workday, off-day, or continuous work period will be paid at double-time.
- d. The last eight (8) hours worked on the first regularly scheduled workday in the pay weeks with four (4) regularly scheduled twelve (12) hour workdays will be paid at time and one-half (1-1/2). This day shall be known as the Code Day. If a holiday and a Code Day fall on the same day, the Code Day will be moved to the next regularly scheduled twelve (12) hour workday.

Section 9.11, Rest Time, Subsection 11d, will read:

- d. An employee who is released under paragraphs a, b, or c by his/her supervisor during any hours of his/her regularly scheduled straight-time week will be paid at the employee's straight-time rate for rest time during such scheduled hours.

Section 9.13, Holidays, Subsections 13a, 13b, and 13c, will read:

- a. The below holidays will be observed on the following dates, unless changed in accordance with paragraph b or e of this section:

Company Holiday	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
New Year's Day	<u>Fri/Jan. 1</u>	<u>Sat/Jan 1</u>	<u>Sun/Jan 1</u>	<u>Tues/Jan 1</u>
Martin Luther King Day	<u>Mon/Jan 18</u>	<u>Mon/Jan 17</u>	<u>Mon/Jan 16</u>	<u>Mon/Jan 21</u>
Good Friday	<u>Fri/Apr 2</u>	<u>Fri/Apr 22</u>	<u>Fri/Apr 6</u>	<u>Fri/Mar 29</u>
Memorial Day	<u>Mon/May 31</u>	<u>Mon/May 30</u>	<u>Mon/May 28</u>	<u>Mon/May 27</u>
Independence Day	<u>Sun/July 4</u>	<u>Mon/July 4</u>	<u>Wed/July 4</u>	<u>Thurs/July 4</u>
Labor Day	<u>Mon/Sep 6</u>	<u>Mon/Sep 5</u>	<u>Mon/Sep 3</u>	<u>Mon/Sep 2</u>
Thanksgiving Day	<u>Thu/Nov. 25</u>	<u>Thurs/Nov 24</u>	<u>Thurs/Nov 22</u>	<u>Thu/Nov. 28</u>
Day After Thanksgiving	<u>Fri/Nov26</u>	<u>Fri/Nov 25</u>	<u>Fri/Nov 23</u>	<u>Fri/Nov 29</u>
Christmas Eve	<u>Fri/Dec 24</u>	<u>Sat/Dec 24</u>	<u>Mon/Dec 24</u>	<u>Tues/Dec 24</u>
Christmas Day	<u>Sat/Dec 25</u>	<u>Sun/Dec 25</u>	<u>Tues/Dec 25</u>	<u>Wed/Dec 25</u>
New Year's Eve	<u>Fri/Dec 31</u>	<u>Sat/Dec 31</u>	<u>Mon/Dec 31</u>	<u>Tues/Dec 31</u>

b. Employees scheduled to work holidays will not be spared off by Management. If such an employee wishes to have the holiday off, it must be scheduled as a CTO day. In such cases, a holiday allowance of eight (8) hours pay plus four (4) hours of CTO time will be paid. If out of CTO, the employee will only be paid the said holiday allowance.

(4) An employee will be paid regular straight-time hourly rate of pay when absent during scheduled work hours because of the death of a member of that employee's immediate family: spouse, child, father, mother, sister, brother, father-in-law, mother in-law, grandfather, grandmother, or grandchild provided:

(iii) Absence does not exceed three (3) days; and

(iv) Absence does not extend past the funeral day; except when the deceased is a spouse, child or parent, the employee will be allowed the three (3) days of absence, even though the time off extends past the funeral day.

Exceptions:

If the burial is out of town beyond 200 miles, an extra one (1) day will be allowed for travel.

If an immediate family member dies while an employee is on scheduled CTO, the employee is eligible to receive these benefits instead of using CTO time, provided the employee:

Notifies the Company prior to the funeral

Attends the funeral

If the deceased is a stepchild, the employee will be allowed only one (1) day of absence. If the stepchild resides with the employee, three (3) days of absence will be allowed.

Section 10.5, Jury Duty, will read:

- a. An employee absent because of jury duty shall be allowed straight-time pay not to exceed forty (40) hours in any one (1) week for hours the employee would have otherwise worked at straight-time pay. Time absent for jury duty shall be reported as such, but not deducted from hours allowable for other reasons. Employees shall report for work whenever they are not actually on jury duty during their scheduled work periods unless otherwise instructed by their supervisors.

Section 10.7, CTOs, Subparagraphs (1), (2), and (3) to Subsection 7a, Subsection 7b, Subsection 7e, and subparagraphs (1), (3) and new (4) to Subsection 7h, will read:

- a. Length of CTO.

- (1) All employees who, on December 31 of any calendar year, have completed at least one (1) year of continuous employment (since their most recent hiring date) are entitled to CTO with pay, to be taken in the following year as stated below.
- (2) New employees are granted 80 hours of CTO to be used during the 1st year of hire. The Company will buy back up to 40 hours of unused time and any remaining CTO will be forfeited, thereafter, entitled to CTO as shown on chart below. Former employees who have been reemployed are entitled to CTO as defined below for new employees hired on or after January 1, 1992.

The most recent date of reemployment will be used to determine when CTO is due. However, the length of the employee's CTO will be determined by cumulative employment.

(3) Hours of Paid CTO Allowed:

(a) Employees hired before January 1, 1992:

Years of cumulative employment as of December 31st of any Year	CTO Entitlement for the following calendar year
1 to 6 yrs	N/A
7 to 14 yrs	N/A
15 to 23 yrs	256 hours
24 or more	296 hours

(b) Employees hired on or after January 1, 1992:

Years of cumulative employment as of December 31st of any Year	CTO Entitlement for the following calendar year
1 to 4 yrs	136 hours
5 to 14 yrs	176 hours
15 to 24 yrs	216 hours
25 to 29 yrs	256 hours
30 or more	296 hours

b. If a Company observed holiday falls on a day which the employee is scheduled to work and the employee schedules CTO on that day, the employee will be paid in accordance with Section 9.13d.

e. In computing CTO pay, employees will be paid, at their current straight-time pay rate, the same number of hours they are scheduled to work that week; i.e. thirty-six or forty-eight hours of pay. However, if employees schedule CTO for a Code Day (one of the regularly scheduled workdays where the last eight hours is paid time and one-half), they may elect to report four or twelve hours of CTO pay for the Code Day.

h. CTO Schedules. (1) An employee desirous of splitting his/her CTO shall have only one first choice by seniority when the schedule is made up, and a second choice only after all other employees in the employee's

group have had one first choice. Unless otherwise agreed, each choice of a scheduled CTO period shall be in blocks of all consecutive work days between connecting off-days.

- (3) Sickness or Non-occupational Injury or Death of Near Relative During CTO. Should an employee be off because of a death of a near relative as defined in Section 10.4 during the employee's scheduled CTO time, the employee may be permitted to change his/her CTO (or that part remaining) to a subsequent date which will not conflict with another employee's CTO. Should an employee be off sick or off because of a non-occupational injury during the employee's scheduled CTO time, the employee may be permitted to change his/her CTO (or that part remaining) to a CTO code that would satisfy the ED wait period. Consideration of such requests is contingent upon prompt notice and reasonable proof of illness or non-occupational injury or death of a near relative to the employee's immediate supervisor. Time due to the death of a near relative will not exceed 36 hours except under unusual circumstances.
- (4) The work permitting, employees may, with Supervisory permission, schedule CTO in two (2) hour increments.
- (5) Employees may schedule two (2) CTO days in the same manner and under the same provisions as the previous personal days.

Section 10.8, Layoff Allowance, will have the following new Subsection 8f added:

- f. For employees on 12 hour shift schedules, the "straight-time weekly (40 hours) pay" in this section will be determined by multiplying forty (40) hours times the employee's straight-time hourly pay rate.

Section 10.9. *Pay During Extended Disability (ED)*

a. An employee with one (1) year or more years of cumulative employment who is absent from work because of disabilities resulting from personal sickness or non-occupational injury will be allowed additional pay up to the number of weeks set forth in subsection b of this Section 10.9. In order to be eligible for ED the wait period must be coded as either CTO

sick-self-FML CTO sick-self non-FML or unpaid sick-self (FML or non-FML). Absences of 41 consecutive work hours or more (including the wait period) require the employee to furnish the Company with medical **documentation** signed by the attending doctor and with such other satisfactory evidence of disability as may be required. **Note that it is the responsibility of the employee to maintain his/her correct address of record and contact information with the Company.**

Grandfathered Extended Disability hours (formerly referred to as Absence Bank hours) will be carried over and paid at 100%. These **hours** shall be used prior to the ED bank and may not be used to satisfy the 3-day wait period. In addition, at the beginning of each year, five (5) days paid at 100% compensation will be available to the employee prior to utilization of the **Grandfathered Extended Disability hours**. These days are to be used only for sickness related absences after application of the required waiting period, (1/2 or 3-day) and will expire at the end of each year. Once that bank is exhausted, the employee will be eligible for an ED Bank (paid at 90%) as described below:

(1) For each disabling non-occupational injury beginning with the first 1/2 day of each such injury (if available, CTO will be used to bridge this wait period).

(2) **Effective December 20, 2010 for the first** disabling personal sickness **of the payroll year** after the first three (3) days of each such period of sickness; **or for the second disabling personal sickness within the payroll year after the first five (5) days of such period of sickness; or for the third or any subsequent disabling personal sickness within the payroll year after the first seven (7) days of such period of sickness. In each such case,** (if available, CTO will be used to bridge this wait period).

NOTE: If hospitalized for three (3) full days, the 3-day wait period (or 1/2 day for non-occupational injury) will be retroactively paid from ED time if available. **The five and seven day wait periods will not apply to life threatening disabilities (defined as entirely new illness from the prior disability) which involve inpatient care in a hospital Intensive Care Unit (ICU), Cardiac Care Unit (CCU) or hospice. Employees who qualify for this provision will be retroactively paid from the ED time if available.**

- (3) Each employee who qualifies for ED pay under subsection (a) of this Section 10.9 shall have their ED Bank determined by the following table:

Years of Service	AB Carryover from 2005, 2006 & 2007 Paid at 100% (to be used prior to 90% Bank)	Maximum number of hours allowable, paid at 90%
1-4	Up to 240 hrs	280 hrs
5-9	Up to 240 hrs	400 hrs
10-14	Up to 240 hrs	520 hrs
15-19	Up to 240 hrs	720 hrs
20-24	Up to 240 hrs	920 hrs
25-29	Up to 240 hrs	1120 hrs
30-34	Up to 240 hrs	1440 hrs
35 & over	Up to 240 hrs	1760 hrs

Employees who have Recognition Banks remaining from the previous pay program will be allowed to keep what they have in their Recognition Bank to be utilized after exhaustion of the ED Bank described in this subsection. These days will be paid at 80% of base pay.

The term “years of service”, as used in this section, shall include periods of creditable employment with the Pennsalt Chemicals Corporation, or Wyandotte Chemicals Corporation, or Port Huron Paper Company, as well as with The Detroit Edison Company, MichCon, and Corporate Services, LLC.

Effective December 20, 2010, the time period to fully replenish an employee’s extended disability bank shall be 90 calendar days after returning to work, regardless if the next absence is for a new disability or the same disability. Disability related absences that occur within the 90 calendar days from a prior ED will continue use of the remainder of the former ED bank, if available, and then shall be unpaid. Note that the 90 calendar day period to replenish will start over again if an employee interrupts the 90 calendar day replenishment period with an ED absence.

If a holiday occurs during a period for which pay during extended disability is allowed, such holiday shall be paid as a holiday and shall not be deducted from the number of days allowable under this Section 10.9.

c. Pay for extended disability will be made only for the scheduled straight-time hours in the employee's schedule, i.e. thirty-six (36) or forty (40) hours. However, if it appears the illness or injury will result in an absence of more than two full pay weeks, Management will, as soon as is practicable, change the employee's schedule to a standard work week consisting of five (5) regularly scheduled eight (8) hour work periods on as many work days.

Section 11.1, Shift Premiums, will read:

- a. Unless otherwise agreed, in addition to the straight-time classification rate, shift premium of \$2.00 per hour shall be paid as a separate item for each hour worked by an employee between the hours of 6:30 p.m. and 6:29 a.m.

Paragraphs 1(b) and 1(c) of Section 11.1 will not apply and will be considered vacant.

2. The current 12-hour Shift Overtime Rules will be applied to those represented employees on 12-hour shift schedules.
3. In all other respects, the Agreement shall remain in full force and effect.
4. The terms of this Memorandum of Understanding shall be effective on June 7, 2010 at 6:00 A.M. for St. Clair Fuel Supply and Operations, Connors Creek Operations, and Greenwood Operation; at 7:00 A.M. for Belle River, Monroe, and Trenton Channel Operators and Monroe Fuel Supply; and at 7:30 A.M. for River Rouge, unless otherwise agreed to between the parties.

ATTACHMENT A

OPT ELECTION/RECOGNITION HISTORY

Associate Planner-Planning & Design*	NLRB 7-RC-19280 7/6/90
Planner – Lines_	NLRB 7-RC-19280 7/6/90
Analyst-Business*	NLRB 7-RC-19280 7/6/90
Facilitator - Operator & Storm Training*	NLRB 7-RC-19280 7/6/90
Planner-Planning & Design*	NLRB 7-RC-19280 7/6/90
Sr. Technician – Planning*	NLRB 7-RC-19280 7/6/90
Facilitator - Right of Way*	NLRB 7-RC-19280 7/6/90
Senior Technician - System Underground*	NLRB 7-RC-19280 7/6/90
Sr. Administrative Associate - Technical	Usury and Associates 4/28/95

Subclassifications under Sr. Administrative Associate include Sr. AMS Operator, Sr. CAD Operator and Sr. Surveyor.

Administrative Associate - Technical	Usury and Associates 4/28/95
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Subclassifications under Administrative Associate include AMS Operator, CAD Operator, Creative Art, Dispatcher, EMS Data, SID/OAS Coordinator, and Surveyor.

Senior Technician - Field	Usury and Associates 7/27/95
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Subclassifications under Sr. Technician include Primary, Relay and Cable Test

Technician – Field	Usury and Associates 7/27/95
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Subclassifications under Technician include Primary, Relay and Cable Test.

Operations Resource Coordinator	Usury and Associates 8/22/95
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Associate Planner - Work

Organizer/ Dispatcher

Usury and Associates 9/28/95

Sr. Customer Representative

Usury and Associates 10/26/95

Customer Representative

Usury and Associates 10/26/95

Administrative Assistant-Technical

Usury and Associates 1/17/96

Cashier

By mutual agreement of the parties 5/1/96

Mail Drivers

Usury and Associates 2/2/98

Equipment Operators

Usury and Associates 3/12/98

Mail Clerk

Usury and Associates 5/12/98

Photographer

Usury and Associates 8/25/98

Associate Analyst-Computer Application

By mutual agreement of the parties 1/12/99

Specialist

Associate Facilitator-Credit	By mutual agreement of the parties 1/12/99
Associate Planner-Power Quality Inspection	By mutual agreement of the parties 7/30/01
Technician-Equipment and Design	By mutual agreement of the parties 7/30/01
MichCon Account Analyst (Grand Rapids)	By mutual agreement of the parties 8/30/01
MichCon customer Representative (Bridgewater)	By mutual agreement of the parties 10/9/01
MichCon Eastbrook Business Office	By mutual agreement of the parties 10/9/01
MichCon Gas Distribution Marketing Group-Marketing Representative	By mutual agreement of the parties 12/18/01
MichCon Gas Distribution Marketing Group-Administrative Assistant	By mutual agreement of the parties 12/18/01
Sr. Technician-Voltage Support	By mutual agreement of the parties 1/26/04
Sr. Technician-Underground	NLRB-7-RC-226 10 3/1/04
Technician Underground	NLRB-7-RC-226 10 3/1/04
Power Quality Technician	NLRB-7-RC-22609 3/1/04
Sr. Technician-Customer Satisfaction	NLRB-7-RC-22609 3/1/04
Professional Surveyor	By mutual agreement of the parties 3/8/04
Sr. Professional Surveyor	By mutual agreement of the parties 3/8/04
Facilitator Right-of-Way	NLRB-7-RC-22643 4/20/04
Damage Claims Representatives	NLRB-7-RC-22825 3/7/05
Damage Claims Specialist	NLRB-7-RC-22825 3/7/05
<u>Lines Operating Analyst</u>	<u>NLRB-7-RC-3233 1/8/09</u>

*Only those employees headquartered at a Company location in Macomb County

ATTACHMENT B

SIDE BAR AGREEMENTS

1. Attendance

The parties believe there is opportunity to improve attendance. To that end the parties agree to:

- Allow employees who are able to do so to return to meaningful work with temporary restrictions due to non-occupational illness/injury. To help accomplish this, Management and each Bargaining Unit Chairperson will meet to help identify meaningful and needed work that could be accomplished by such employees.
- Establish a Corporate and Business Unit (part-time) Return to Work Coordinators.
- Continue a joint Labor/Management Disability Review Board
- Jointly select Independent Medical Evaluators (IMEs) to resolve differences of opinion between physicians, provide certain needed medical expertise, and the like.
- **Provide a means, if feasible, whereby required DCM paperwork may be downloaded by employees and/or their physicians from a website such that the paperwork may be completed and faxed to DCM immediately.**

2. Bidding Rights for Power Plant Supply

The parties agree that under Section 8.38b, employees in the Power Plant Supply Occupation Group will be allowed to bid those Stores Bargaining Unit job vacancies which have not been filled under Section 8.38a.

3. Inclement Weather

For those employees in Substations, Meter and Underground Lines, the parties will in each bargaining unit jointly identify work that can be done safely, both indoors and outdoors, during inclement weather.

4. Drug/Alcohol Free Workplace

The parties agree to develop, coordinate and sponsor a program to promote a drug/alcohol free workplace. Program will include education and voluntary drug/alcohol

LOCAL 223 T-GRADE PAY RATE SCHEDULE
2009 TO 2012

GI Inc %	3.50%	3.00%	3.00%	3.00%
Local 223 T- Grade	Effective June 8, 2009	Effective July 19, 2010	Effective June 6, 2011	Effective June 4, 2012
T-0	\$21.71	\$22.36	\$23.03	\$23.72
T-1	\$22.14	\$22.80	\$23.48	\$24.18
T-2	\$22.63	\$23.31	\$24.01	\$24.73
T-3	\$23.04	\$23.73	\$24.44	\$25.17
T-4	\$23.44	\$24.14	\$24.86	\$25.61
T-5	\$23.89	\$24.61	\$25.35	\$26.11
T-6	\$24.26	\$24.99	\$25.74	\$26.51
T-7	\$24.72	\$25.46	\$26.22	\$27.01
T-8	\$25.18	\$25.94	\$26.72	\$27.52
T-9	\$26.42	\$27.21	\$28.03	\$28.87
T-10	\$27.25	\$28.07	\$28.91	\$29.78
T-11	\$28.17	\$29.02	\$29.89	\$30.79
T-12	\$29.03	\$29.90	\$30.80	\$31.72
T-13	\$30.00	\$30.90	\$31.83	\$32.78
T-14	\$30.88	\$31.81	\$32.76	\$33.74
T-15	\$31.89	\$32.85	\$33.84	\$34.86
T-16	\$32.40	\$33.37	\$34.37	\$35.40
T-17	\$32.95	\$33.94	\$34.96	\$36.01
T-18	\$33.49	\$34.49	\$35.52	\$36.59
T-19	\$34.09	\$35.11	\$36.16	\$37.24
T-20	\$34.61	\$35.65	\$36.72	\$37.82
T-21	\$35.22	\$36.28	\$37.37	\$38.49
T-22	\$35.79	\$36.86	\$37.97	\$39.11
T-26	\$37.72	\$38.85	\$40.02	\$41.22
T-29	\$38.07	\$39.21	\$40.39	\$41.60
T-69	\$13.82	\$14.23	\$14.66	\$15.10
T-70	\$13.00	\$13.00	\$13.00	\$13.00
T-71	\$14.20	\$14.20	\$14.20	\$14.20
T-72	\$15.40	\$15.40	\$15.40	\$15.40
T-73	\$16.60	\$16.60	\$16.60	\$16.60
T-76	\$15.67	\$16.14	\$16.62	\$17.12
T-77	\$17.18	\$17.70	\$18.23	\$18.78
T-78	\$18.69	\$19.25	\$19.83	\$20.42
T-79	\$20.19	\$20.80	\$21.42	\$22.06

PAY RATE SCHEDULES

Schedule 2

PROGRESSION SCHEDULES FOR TRADES AND OPERATING CLASSIFICATIONS WITHIN THE RECOGNIZED BARGAINING UNITS

As has occurred in most previous negotiations, the Parties have agreed to remove several classifications from this Schedule 2. Many of these changes have been due to the combining of two or more classifications into one; others were removed due to reductions in classifications or layoffs from seniority lists; still others were due to the fact that the work which was previously performed by the classification is no longer performed by Detroit Edison employees. It is agreed that, if any time in the future, the Company decides to again employ Detroit Edison employees to perform the work of a classification which has been removed from this Schedule 2 or to implement a new classification which is equivalent to a removed classification, such work will be reestablished as work represented by Local 223.

ELECTRICAL SYSTEM - SUBSTATIONS													
SCHEDULED HOURLY RATE (In Grade Numbers)													
Classification	Job Code	SAP	Start	1/4	1/4	1 1/2	2	2 1/2	3	3 1/2	4	4 1/2	
ELECTRICAL MAINTENANCE													
HV Breaker Inspection Leader	41630	#N/A	18 + 10%										
Leader	41609	#N/A	18										
Journeyman 1st Class	41628	60000174	15	16	17	18							
* Electrical Maintenance Journeyman Apprentice	41631	60000173	5	6	7	8	9	10	11	12	13	14	
BATTERY MAINTENANCE													
Battery Journeyman	41667	60000042	9	10	11								
Battery Workman	41660	#N/A	5	6	7	8							
CIVIL AND SPECIALTY TRADES													
Brickmason Leader	43000	#N/A	16										
Brickmason	43001	#N/A	11	12	13	14	15						
* Brickmason Apprentice	43001	#N/A	5	6	7	8	9	10					
Brick Saw Operator	43005	#N/A	5	6	7								
Bridgeman Leader	43007	#N/A	17										
Bridgeman	43008	#N/A	11	12	13	14	15						
Carpenter Leader	43010	#N/A	17										
Carpenter	43011	60000067	13	14	15								
* Carpenter Apprentice	43012	#N/A	5	6	7	8	9	10	11	12			
Cement Finisher Leader	43062	#N/A	11										
Cement Finisher	43013	60000072	5	6	7	8	9						
Handyman Leader	43025	#N/A	9										
Handyman	43020	60000329	5	6	7								
Mechanic Fitter Leader	43028	#N/A	18										
Mechanic Fitter	43066	60000448	11	12	13	14	15	16					
* Mechanic Fitter Apprentice	43066	60000448	5	6	7	8	9	10					
Painter Leader	43032	#N/A	12										
Painter	43033	60000527	8	9	10								
* Painter Apprentice	43034	#N/A	5	6	7								
Rigger Ironworker Leader	43047	#N/A	18										
Rigger Ironworker	43055	60000685	13	14	15	16							
* Rigger/Ironworker Apprentice	43055	60000685	5	6	7	8	9	10	11	12			

ELECTRICAL SYSTEM - SUBSTATIONS (continued)												
ATTACHMENT B												
* Automatic progression to next higher classification of sequence.												
## (1) Grade 16 when leading one or two people, one of whom is a Sheet Metal Worker.												
(2) Grade 17 when leading three or more people, one of whom is a Sheet Metal Worker.												
(a) Subject to reclassification as Welder B if Welder A requalification tests are not passed.												
(b) Semi-automatic progression to Welder A contingent on passing Welder A test. Subject to reclassification as Welder B if Welder B requalification tests are not passed.												
(c) Note: Welder A tests will be given in accordance with the following approximate schedule:												
1st: 0 year after attaining top grade of Welder B schedule.												
2nd: If 1st test is failed, one year after 1st failure.												
3rd: If 2nd test is failed, two years after 2nd failure.												
4th: If 3rd test is failed, four years after 3rd failure.												
(d) Semi-automatic progression to Welder B contingent on passing Welder B test. Subject to reclassification as Welder B if Welder B requalification tests are not passed.												
Note: Welder B tests will be given in accordance with the following approximate schedule:												
1st: 0 year after attaining top grade of Welder B schedule.												
2nd: If 1st test is failed, one year after 1st failure.												
3rd: If 2nd test is failed, two years after 2nd failure.												
4th: If 3rd test is failed, four years after 3rd failure.												
(e) Grade 9 when leading one or two people, one of whom is a Landscape Structural Workman, or Grade 10 when leading three or more people one of whom is a Landscape Structural Workman.												
(f) Dual-Rated Employee working in the dual-rated classification will receive pay at 11.0% of his current base rate for at least one half day (four hours) if he works in the dual-rated classification for any part of the day.												
(g) Employees at maximum rate will receive maximum of higher rated job at time promoted.												

FACILITIES MANAGEMENT AND SERVICES												
Classification	Job Code	SAP Job Code	Start	¼ yr.	½ yr.	1 yr.	1½ yr.	2 yr.	2½ yr.	3 yr.	3½ yr.	
OPERATING												
Senior Operating Engineer	43660	60000723	14									
Operating Engineer (EC)	43607	60000980	10		11	12						
Operating Engineer (Noble)	43632	60000979	10		11	12						
* Operating Engineer Apprentice (EC)	43609	#N/A	5		6	7	8	9				
* Operating Engineer App. (Noble)	43609	#N/A	5		6	7	8	9				
MAINTENANCE												
Maintenance Journeyman 1st Class (1)	43641	60000226	18									
Maintenance Journeyman (1)	43640	60000227	13		14	15	16	17				
* Maintenance Apprentice (1)	43640	60000227	5		6	7	8	9	10	11	12	
CARPENTER												
Carpenter Leader	43614	#N/A	13									
* Carpenter Apprentice	43612	#N/A	5		6	7	8	9				
PLASTERER AND CEMENT												
Plasterer and Cement Worker Leader	43620	#N/A	13									
Plasterer and Cement Worker	43621	#N/A	10		11							
Plasterer and Cement Worker Apprentice	43622	#N/A	5		6	7	8	9				
LOCKSMITH												
Locksmith	43623	#N/A	9		10	11						
* Locksmith Apprentice	43624	#N/A	5		6	7	8					
PAINTING												
Painter Leader	43625	#N/A	11									
* Painter Apprentice	43627	#N/A	5		6	7						
SERVICE												
Facilities Maintenance Utility Person		#N/A	70			71	72	73				
(1) Need MOU												
* Automatic progression to next higher classification of sequence.												

METER																
SCHEDULED HOURLY RATE (In Grade Numbers)																
Classification	Job Code	SAP Job Code	Start	1/4	1/2	1	1 1/2	2	2 1/2	3	3 1/2	4	4 1/2	5	5 1/2	
SUPPLS																
Stockkeeper Leader	41922	60000991	4		5	6	7	8	9							
REPAIR																
(a) Meter Repairman A Leader	41962	#N/A	13/14													
Meter Repairman A	41952	#N/A	8		9	10	11	12								
# Meter Repairman B Leader	41971	#N/A	8/9													
TESTING																
Primary Meter Tester & Invest	41920	60000549	15	16												
Senior Service Representative	41975	60000728	11		12	13	14									
Service Representative	41976	60000736	0		4	5	6	7	8	9	10	11	12			
Field Service Representative	41979	60000243	70		71	72	73	0	4	6	7	8	9	49		
# Field Meter Tester & Invest	41911	60000933	8		9	10	11									
# Field Meter Tester	41912	60000240	4		5	6	7	8	9							
(b) Polyphase Watthour Meter and Accessories Tester Leader	41957	#N/A	11/12													
Polyphase Watthour Meter and Accessories Tester	41958	60000544	3		4	5	6	7	8	9	10					
Associate Service Representative	41977	60000033	9													
# Primary Data Recorder	1904	#N/A	3		4	5	6	7	8	9						
# Special Reader-Calendar	42211	60001047	9													
(a) Grade 13 when leading one or two employees, or Grade 14 when leading three or more employees.																
(b) Grade 11 when leading one or two employees, or Grade 12 when leading three or more employees, one of whom is a Polyphase Watthour Meter and Accessories Tester.																
# When this classification is vacated, it will not be filled.																

NUCLEAR OPERATIONS - FERMII 2																
SCHEDULED HOURLY RATE (In Grade Numbers)																
Classification	Job Code	SAP	Start	1/4	1/2	1	1 1/2	2	2 1/2	3	3 1/2	4	4 1/2	5	5 1/2	6
				Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.
** Nuclear Operator	61307	60000861	10-11		12	13	14	15	16	17	18	19+20				
Assistant Nuclear Operator	61308	#N/A	3		4	5	6	7	8	9						
Nuclear Instrumentation & Control Technician	61310	60001184	12		13	14	15	16	17	18+20	19+20	20+20				
Nuclear Instrumentation & Control Technician	61309	#N/A	3		4	5	6	7	8	9	10	11				
* Apprentice																
Nuclear Fire Protection Inspector (I)	61304	60001272	3		4	5	6	7	8	9	10	11+20				
Nuclear Maintenance Journeyman	61456	#N/A	12		13	14	15	16	17+18	18+18	19+20					
Nuclear Maintenance Journeyman Apprentice	61462	#N/A	5		6	7	8	9	10	11						
(c.a) Nuclear Insulator Mason	61448	60000368	5		6	7	8	9	10	11	12	13	14	15		
Nuclear Warehouseperson	61320	60000933	1		2	3	4	5	6	7	8	9	10	11+40		
(a) Nuclear Tool & Equipment Repairman	61318	60000884	5		6	7	8	9	10	11						
(b) Nuclear Service Person	61460	60000741	5		6	7	8	9	10	11	12	13				
Nuclear Assistant Serviceperson	61451	#N/A	76		77	78	79									
RPO Technician	65102	60001983	9		10	11	12	13	14	15	16	17	18	19+20		
* Automatic progression to next higher classification of sequence																
(a) When this classification is vacated it will not be filled.																
(b) Grade 14 when leading 1 or 2 employees. Grade 15 when leading 3 or more employees.																
(c) Grade 16 when leading 1 or 2 employees. Grade 17 when leading 3 or more employees.																
** Nuclear Operators are hired at a 1-10 and given one pay grade increase when they complete the station's Basic Electrical course.																

		POWER GENERATION																	
		SCHEDULED HOURLY RATE (In Grade Numbers)																	
Classification	Job Code	SAP Job Code	Start	¼	½	1	1½	2	2½	3	3½	4	4½	5	5½	6	6½		
				yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.	yr.		
MAINTENANCE																			
Maintenance Craftsman	51448	60000412	11		12	13	14												
Maintenance Craftsman Apprentice	51449	#NA	5		6	7	8	9	10										
(g)(a)(d) Maintenance Journeyman	51454	60000415	12+20	13+20	14+20	15+20	16+20	17+20											
(a)(d) Maintenance Journeyman Apprentice	51455	60000412	5		6	7	8	9	10	11									
(f) Environmental Journeyman																			
Maintenance Handyman	51459	#NA	5		6	7													
(c) Steeplejack (Dual Rate)	5147	#NA																	
OPERATING																			
Sr. Power Plant Operator	51136	60000724	15		16	17	18	19	20										
Power Plant Operator	51120	60000547	4		5	6	7	8	9	10	11	12	13	14	15	16			
FUEL SUPPLY																			
Sr. Fuel Supply Equipment Operator	54210	6000708	11		12	13													
Fuel Supply Equipment Operator	54209	60000295	7		8	9	10	11											
INSTRUMENT																			
Instrument & Control Technician Leader	51067	#NA	21																
Instrument & Control Tech (A)	51065	#NA	12		13	14	15	16	17	18									
Instrument & Control Tech (B)	51064	#NA	3		4	5	6	7	8	9	10	11							
POWER PLANT SUPPLY																			
Tool and Warehouse Person Leader	52707	60001836	12		13														
Tool and Warehouse Person Leader	52708	#NA	11		12														
Tool and Warehouse Person	52700	60000992	1		2	3	4	5	6	7	8	9	10	11					
(e) Truck Driver-Plants	52705	#NA	4			5	6												
MISCELLANEOUS																			
# Plant Cleaner Leader	51342	60000077	4/5																
Plant Cleaner	51020	60000078	2			3													

f. Tentative grade T-19 (progression under negotiations)

g. Employees will be paid a step-up of (one) grade when leading 3 or more other employees.

ATTACHMENT A

Notes the following:

- * Automatic progression to the next higher classification of sequence.
- ** Receives T-9+.73 when leading 1 or 2 employees. Receives T 10 + .73 when leading 3 or more employees.
- (f) If an automotive mechanic is leading 1 or 2 other automotive mechanics, he or she shall be paid the T-15 pay rate. If leading 3 or more automotive mechanics, he or she shall be paid the T-16 pay rate.
- # Plant Cleaner Leaders receive Grade 4 when leading 1 or 2 Plant Cleaners and Grade 5 when leading 3 or more Plant Cleaners. Wage increases resulting from promotions within the same group. Promotional increase rate. An employee promoted to the next higher classification within the same work group shall receive the scheduled starting rate of pay in the new classification, unless this starting rate is equal to or less than that being received just prior to promotions. In the event the employee will receive the next higher scheduled rate in the new classification.
- (a) Semi-automatic progression of the Welder in MJ classification is contingent on passing the Welder A Test and meeting other MJ qualifications. Welder A tests will normally be given in accordance with the following schedule:

1st Test: Within the first six months after attaining MJ Welder (T-12) Status.

2nd Test: One year after first failure.

- (b) Semi-automatic progression in the MJ Apprentice classifications is contingent on passing the Welder B test and meeting other MJ Apprentice qualifications. Welder B tests will normally be given in accordance with the following schedule:

1st Test: Within the first three months after starting Segment 5 of the MJ Apprentice-Welder Program.

2nd Test: Within three to six months after the first failure.

- (c) Dual-Rated Employees – Any employee working in the dual-rated classification will receive pay at 110% of their current base rate for at least one-half day (four hours) if they work in the dual-rated classification for any part of the day.
- (d) The MJ Apprentice and Journeyman classifications with Welder designators are subject to reclassification if qualification or requalification tests are not passed.
- (e) Additionally, the Company will pay employees in accordance with the following:
 - 1 Employees with a CDL, Class C endorsement will be paid a grade T-7;
 - 2 Employees with a CDL, Class B endorsement will be paid a grade T-8;
 - 3 Employees with a CDL, Class A endorsement will be paid step-up as a grade T-9 whenever the employee is required to perform duties which require the CDL, Class A endorsement.

All Connors Creek Power Plant Classifications listed in the 1993 Agreement remain in effect for recall purposes, should the plant be reactivated.

STORES & TRANSPORTATION - STORES																
SCHEDULED HOURLY RATE (In Grade Numbers)																
Classification	Job Code	SAP Job Code	Start	1/4 yr.	1/2 yr.	1 yr.	1 1/2 yr.	2 yr.	2 1/2 yr.	3 yr.	3 1/2 yr.	4 yr.	4 1/2 yr.	5 yr.		
STORES OPERATION																
Supplyperson Leader Pole Handling	42764	#N/A	13													
Supplyperson Pole Handling	42760	60001774	6		7	8	9	10	11							
Supplyperson Leader Lines - Electric	42760	60000712	13													
Supplyperson Lines - Electric	42761	60000908	1		2	3	4	5	6	7	8	9	10	11		
Supplyperson Leader Central - Electric	42728	60000980	13													
Supplyperson Central - Electric	42727	60000798	1		2	3	4	5	6	7	8	9	10	11		
Supplyperson Leader Cable - Electric	41866	60000064	13													
Supplyperson Cable - Electric	41865	60000063	1		2	3	4	5	6	7	8	9	10	11		
SALVAGE OPERATION																
Supplyperson Leader IR	42725	60000763	13													
Supplyperson IR	42724	60000762	1		2	3	4	5	6	7	8	9	10	11		
MATERIAL TRANSPORT																
Stockman Driver-Hydraulic Specialist	TBD	TBD	4		5	6	7	8	9	10	11	12				
Mobile Crane Operator	52769	#N/A	5		6	7	8	9	10	11	12					
STORES GAS GROUP																
Supplyperson Leader Stations - Gas	5685	60001301	13													
Supplyperson Stations - Gas	5666	60001369	1		2	3	4	5	6	7	8	9	10	11		
Supplyperson Leader Central - Gas	5306	60001468	13													
Supplyperson Central - Gas	5665	60001375	1		2	3	4	5	6	7	8	9	10	11		
POWER PLANT STORES																
** Tool and Warehouse Person Leader	52707	60001836	13													
** Tool and Warehouse Person Leader	52708	#N/A	12													
Tool and Warehouse Person	52700	60000992	1		2	3	4	5	6	7	8	9	10	11		
* Receives 1-11 when leading 1 or 2 employees.																
** Receives 1-12 when leading 3 or more employees																
Note: Transferees entering the Supplyperson classification --																
From within the B.U. will enter at a rate which corresponds to their current pay rate and continue within the Supplyperson progression																
From outside the B.U. will be evaluated by management and placed based on qualifying skills and will progress in accordance with Article 12.1b.																

UNDERGROUND LINES												
Classification	Job Code	SAP Job Code	SCHEDULED HOURLY RATE (In Grade Numbers)									
			Start	1/4	1/2	1	1 1/2	2	2 1/2	3		
CABLE												
Group A												
Cable Splicer Specialist Leader	41804	60000061	21									
Cable Splicer Specialist	41814	60000062	19									
Splicer Specialist in Progress	41813	60000599	17		18							
Journeyman Cable Splicer	41801	60000060	15		16							
Cable Splicer Apprentice	41805	60000059	7		8	9	10	11	12	13	14	
Group B												
Senior Rigger Checker	41864	60000726	10		11	12	13	14	15			
Cable Pulling Rigger Operator	41806	60000684	5		6	7	8	9	10	11		
Cable Mechanic	42771	60000058	0	5	6	7	9					
CONDUIT												
Equipment Operator	41828	#N/A	5		6	7	8	9	10	11		
Equipment Supply Person	41838	60000995	5		6	7						
Conduit Worker Leader	41847	#N/A	10									
Conduit Worker	41848	60000104	5		6	7	8	9				

Local 223 — OPT Pay Rates with SAP-CPA Job titles and Codes 2009 to 2012

G Inc %	CBA Job	SAP Job	3.50%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Code	Code	Code	MIN	MAX	MIN	MAX	MIN	MAX	MIN	MAX	MAX
R869	60001001	IAT Surveyor	\$23.77	\$29.79	\$24.48	\$30.68	\$25.21	\$31.60	\$25.97	\$32.55	
R808	60000672	IAT-AMS Opr	\$20.79	\$26.04	\$21.41	\$26.82	\$22.05	\$27.62	\$22.71	\$28.45	
R805	60000649	IAT-CAD Opr Sub Design	\$20.79	\$26.04	\$21.41	\$26.82	\$22.05	\$27.62	\$22.71	\$28.45	
R804	60000097	IAT-CAD Opr-Line Engr	\$20.79	\$26.04	\$21.41	\$26.82	\$22.05	\$27.62	\$22.71	\$28.45	
R502	#N/A	IAT-Creative (Not Setup in SAP)	\$21.56	\$26.95	\$22.21	\$27.76	\$22.88	\$28.59	\$23.57	\$29.45	
R503	60000906	Admin Asst Tech Creative Arts Signage	\$23.92	\$29.93	\$24.64	\$30.63	\$25.38	\$31.75	\$26.14	\$32.70	
R397	60000899	Administrative Assistant Technical	\$15.98	\$20.01	\$16.46	\$20.61	\$16.95	\$21.23	\$17.46	\$21.87	
R959	#N/A	AMS Design (Not Setup in SAP)	\$21.24	\$26.53	\$21.88	\$27.33	\$22.54	\$28.15	\$23.22	\$28.99	
R030	60000016	Analyst - Business	\$28.85	\$36.17	\$29.72	\$37.26	\$30.61	\$38.38	\$31.53	\$39.53	
R971	60002020	Apprentice Planner	\$20.42	\$23.70	\$21.03	\$24.41	\$21.66	\$25.14	\$22.31	\$25.89	
R070	60000905	Assoc Analyst Computer Appl Spec Disp	\$23.51	\$29.48	\$24.22	\$30.36	\$24.95	\$31.27	\$25.70	\$32.21	
R920	60000925	Assoc Planner Office Field Coordinator	\$26.05	\$32.56	\$26.83	\$33.54	\$27.63	\$34.55	\$28.46	\$35.59	
R850	60000946	Assoc Planner Work Organizer Dispatcher	\$24.56	\$30.79	\$25.30	\$31.71	\$26.06	\$32.66	\$28.84	\$33.64	
R810	60000900	Associate Planner EMS Data	\$27.45	\$34.43	\$28.27	\$35.46	\$29.12	\$36.52	\$29.99	\$37.62	
R033	60000901	Associate Planner Planning & Design	\$24.30	\$30.49	\$25.03	\$31.40	\$25.78	\$32.34	\$26.55	\$33.31	
R809	60000902	Associate Planner SID OAS	\$23.99	\$30.02	\$24.71	\$30.92	\$25.45	\$31.85	\$26.21	\$32.81	
R871	60000138	Cable Design Specialist	\$26.15	\$32.66	\$26.93	\$33.85	\$27.74	\$34.87	\$28.57	\$35.92	
R873	#N/A	Cable Test Tech (Not Setup in SAP)	\$26.15	\$32.66	\$26.93	\$33.85	\$27.74	\$34.87	\$28.57	\$35.92	
O00942	60000076	Claims Representative (Tentative)	\$49.312	\$61.639	\$50.791	\$63.488	\$52.315	\$65.393	\$53.884	\$67.355	
R861	60000985	Conduit Design Specialist	\$26.15	\$32.66	\$26.93	\$33.85	\$27.74	\$34.87	\$28.57	\$35.92	

Local 223 — OPT Pay Rates with SAP-CPA Job titles and Codes 2009 to 2012

R956	60001142	Customer Business Consultant	\$21.16	\$27.07	\$21.79	\$27.88	\$22.44	\$28.72	\$23.11	\$29.58
R955	60000121	Customer Care Representative CCC	\$16.64	\$25.46	\$17.14	\$26.22	\$17.65	\$27.01	\$18.18	\$27.82
R957	60000910	Customer Care Representative Specialist	\$21.16	\$27.07	\$21.79	\$27.88	\$22.44	\$28.72	\$23.11	\$29.58
R807	60000146	Dispatcher	\$20.79	\$26.04	\$21.41	\$26.62	\$22.05	\$27.62	\$22.71	\$28.45
R942	60000202	Engineering Technician Field *	\$26.15	\$32.86	\$26.93	\$33.65	\$27.74	\$34.87	\$28.57	\$35.92
R106	60000978	Equipment Operator Duplicating	\$16.04	\$19.34	\$16.52	\$19.92	\$17.02	\$20.52	\$17.53	\$21.14
R114	60000977	Equipment Operator Mechanical Mailing	\$16.04	\$19.34	\$16.52	\$19.92	\$17.02	\$20.52	\$17.53	\$21.14
R115	60000508	Equipment Operator Reprographics	\$16.04	\$19.34	\$16.52	\$19.92	\$17.02	\$20.52	\$17.53	\$21.14
R034	60000937	Facilitator - Right of Way	\$26.79	\$36.11	\$29.65	\$37.19	\$30.54	\$38.31	\$31.46	\$39.46
R029	60000427	Lead Marketing Representative	\$25.18	\$36.00	\$25.94	\$37.08	\$26.72	\$38.19	\$27.52	\$39.34
R136	60000921	Mail Clerk	\$13.09	\$15.77	\$13.48	\$16.24	\$13.88	\$16.73	\$14.30	\$17.23
R104	60000922	Mail Driver	\$14.66	\$17.86	\$15.31	\$18.40	\$15.77	\$18.95	\$16.24	\$19.52
R027	60001182	Marketing Representative	\$23.22	\$33.17	\$23.92	\$34.17	\$24.64	\$35.20	\$25.38	\$36.26
R020	60000924	New Service Representative	\$21.65	\$27.03	\$22.30	\$27.84	\$22.97	\$28.68	\$23.66	\$29.54
R865	60000363	OHLUGL Inspector	\$30.72	\$34.11	\$31.64	\$35.13	\$32.59	\$36.18	\$33.57	\$37.27
R898	60000521	Operations Resource Coordinator	\$27.20	\$34.11	\$28.02	\$35.13	\$28.86	\$36.18	\$29.73	\$37.27
R105	60000533	Photographer	\$24.87	\$31.11	\$25.62	\$32.04	\$26.39	\$33.00	\$27.18	\$33.99
R031	60000928	Planner Development Coordinator	\$31.67	\$39.69	\$32.62	\$40.88	\$33.60	\$42.11	\$34.61	\$43.37
R035	60000920	Planner Lines	\$29.20	\$36.51	\$30.08	\$37.61	\$30.96	\$38.74	\$31.91	\$39.90
R036	60000929	Planner Planning & Design	\$29.45	\$36.92	\$30.33	\$38.03	\$31.24	\$39.17	\$32.18	\$40.35
R966	60001177	Power Quality Technician	\$26.15	\$32.86	\$26.93	\$33.65	\$27.74	\$34.87	\$28.57	\$35.92
R958	60000065	Primary Callback Coordinator	\$22.17	\$27.74	\$22.84	\$28.57	\$23.53	\$29.43	\$24.24	\$30.31
R019	60000930	Primary Service Representative	\$31.21	\$39.00	\$32.15	\$40.17	\$33.11	\$41.38	\$34.10	\$42.62

Local 223 — OPT Pay Rates with SAP-CPA Job titles and Codes **2009 to 2012**

GI Inc %			3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
CBA Job	SAP Job	CBA/SAP Job Title	June 8, 2009 MIN	June 8, 2009 MAX	July 19, 2010 MIN	July 19, 2010 MAX	July 19, 2010 MIN	July 19, 2010 MAX	June 6, 2011 MIN	June 6, 2011 MAX	June 4, 2012 MIN	June 4, 2012 MAX
R963	60001208	Principal Professional Surveyor	\$70.744	\$88.430	\$72.866	\$91.083	\$75.052	\$93.815	\$77.304	\$96.629		
R964	60001209	Professional Surveyor	\$64.395	\$80.494	\$66.327	\$82.909	\$68.317	\$85.396	\$70.367	\$87.958		
R960	60001151	RCB Billing Consultant	\$21.65	\$27.07	\$22.30	\$27.88	\$22.97	\$28.72	\$23.66	\$29.58		
R961	60001996	RCB Billing Specialist	\$18.40	\$23.00	\$18.95	\$23.69	\$19.52	\$24.40	\$20.11	\$25.13		
R1008	60000938	Senior AAT CAD A/C Towers	\$23.77	\$29.79	\$24.48	\$30.68	\$25.21	\$31.60	\$25.97	\$32.55		
R1007	60002019	Senior AAT CAD Operator Substation Desig	\$23.77	\$29.79	\$24.48	\$30.68	\$25.21	\$31.60	\$25.97	\$32.55		
R1009	60001149	Senior AAT Senior AMS Operator	\$23.77	\$29.79	\$24.48	\$30.68	\$25.21	\$31.60	\$25.97	\$32.55		
R1010	60000943	Senior Admin Assoc Tech Surveyor	\$26.88	\$33.62	\$27.69	\$34.63	\$28.52	\$35.67	\$29.38	\$36.74		
R872	60000941	Senior Cable Design Specialist	\$29.14	\$36.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86		
R863	60001153	Senior Conduit Design Specialist	\$29.14	\$36.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86		
R008	60000940	Senior Customer Rep Consumer Affairs	\$21.16	\$26.51	\$21.79	\$27.31	\$22.44	\$28.13	\$23.11	\$28.97		
R941	60000874	Senior Engineering Technician Field *	\$29.14	\$36.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86		
R834	60000942	Senior Support Spec Investment Recovery	\$21.68	\$27.10	\$22.33	\$27.91	\$23.00	\$28.75	\$23.69	\$29.61		
R832	60000944	Sr. Support Specialist Planning & Design	\$20.88	\$26.10	\$21.51	\$26.88	\$22.16	\$27.69	\$22.82	\$28.52		
R840	60001168	Sr. Support Specialist - Service Operations	\$20.88	\$26.10	\$21.51	\$26.88	\$22.16	\$27.69	\$22.82	\$28.52		
R841	60001159	Senior Support Specialist Admin II	\$21.68	\$27.10	\$22.33	\$27.91	\$23.00	\$28.75	\$23.69	\$29.61		
R833	60001162	Senior Support Specialist Major Accts	\$20.88	\$26.10	\$21.51	\$26.88	\$22.16	\$27.69	\$22.82	\$28.52		
R024	60000923	Senior Support Specialist New Markets	\$19.27	\$24.07	\$19.85	\$24.79	\$20.45	\$25.53	\$21.06	\$26.30		
R835	60001156	Senior Support Specialist Office & Field	\$21.68	\$27.10	\$22.33	\$27.91	\$23.00	\$28.75	\$23.69	\$29.61		
R838	60001166	Senior Supr Spec Design Manuals	\$20.88	\$26.10	\$21.51	\$26.88	\$22.16	\$27.69	\$22.82	\$28.52		

Local 223 — OPT Pay Rates with SAP-CPA Job titles and Codes **2009 to 2012**

R968	60001181	Senior Technician - Planning & Design	\$29.14	\$6.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86
R038	60000987	Senior Technician - Planning	\$29.14	\$6.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86
R037	60000986	Senior Technician - System Underground	\$29.14	\$6.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86
R962	60001129	Senior Technician - Voltage Support *	\$29.14	\$6.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86
Q00500	60000127	Specialist - Claims	\$18.62	\$23.29	\$19.18	\$23.99	\$19.76	\$24.71	\$20.35	\$25.45
R874	#N/A	Sr Cable Test Field (Not Setup in SAP)	\$29.14	\$6.48	\$30.01	\$37.57	\$30.91	\$38.70	\$31.84	\$39.86
R967	60001179	Technician - Underground	\$22.96	\$34.97	\$23.65	\$36.02	\$24.36	\$37.10	\$25.09	\$38.21
*Substation Division										

Local 223 Gas Division Pay Rate Schedule and Maximum Rate

Job Code	SAP Job Code	Job Title	Maximum Effective June 8, 2009	Maximum Effective July 19, 2010 [3%]	Maximum Effective June 6, 2011 [3%]	Maximum Effective June 4, 2012 [3%]
None						
5204	60003626	Appliance Repair Employee	\$26.90	\$27.71	\$28.54	\$29.40
5405	60001291	Associate Gas Planner	\$32.61	\$33.59	\$34.60	\$35.64
5435	60001265	Clerk Dispatcher Opers-2nd year or More/Dispatch	\$29.94	\$30.84	\$31.77	\$32.72
5257	60001266	Clerk Dispatcher Opers-2nd year or More/Station	\$29.26	\$30.14	\$31.04	\$31.97
5189	60000034	Corrosion Control Helper	\$17.62	\$18.15	\$18.69	\$19.25
5426	60001272	Corrosion Support - DEI	\$23.18	\$23.88	\$24.60	\$25.34
5474	60001279	Distribution General Fitter	\$30.67	\$31.69	\$32.80	\$33.78
5507	60001276	Distribution Maintenance Fitter	\$29.26	\$30.14	\$31.04	\$31.97
5425	60001281	Drafter	\$30.41	\$31.32	\$32.26	\$33.23
5256	60001286	Field Operator (Joint)	\$29.26	\$30.14	\$31.04	\$31.97
5203	60000115	Gas and Electric Staker	\$15.50	\$15.50	\$15.50	\$15.50
5416	60001383	Gas Planner	\$36.91	\$38.02	\$39.16	\$40.33
5404	60001295	Gen Clerk Dispatcher Opers - Off/Station	\$29.52	\$30.41	\$31.32	\$32.26
5417	60001294	Gen Clerk Dispatcher Opers-Off/Disp Section	\$30.25	\$31.16	\$32.09	\$33.05
5420	60001984	General Drafting Clerk	\$28.87	\$29.74	\$30.63	\$31.55
5421	60001297	General Field Operator (Incumbent/Joint)	\$31.78	\$32.84	\$33.98	\$35.00
5667	60001296	General Field Operator (Joint)	\$31.52	\$32.57	\$33.70	\$34.71
5444	60001299	General Metering Technician	\$30.13	\$31.03	\$31.96	\$32.92
5125	60001300	General Service Technician	\$30.67	\$31.69	\$32.80	\$33.78
5126	60003525	GRAT New Service Analyst I - UN (MAX)	\$20.19	\$20.80	\$21.42	\$22.06
	60001302	GRAT New Service Sr Analyst - UN (MAX)	\$26.50	\$27.30	\$28.12	\$28.96

5473	60001321	Maintenance Technician	\$29.34	\$30.22	\$31.13	\$32.06
5260	60003551	Manifold General Fitter	\$30.67	\$31.69	\$32.80	\$33.78
5259	60003503	Manifold Maintenance Fitter	\$29.26	\$30.14	\$31.04	\$31.97
5670	60001328	Metering Technician	\$28.29	\$29.14	\$30.01	\$30.91
5258	60001335	Pressure Investigator	\$31.46	\$32.40	\$33.37	\$34.37
5496	60001336	Printing Machine Operator	\$28.87	\$29.74	\$30.63	\$31.55
None	60002826	Public Improvement Coordinator	\$33.03	\$34.02	\$35.04	\$36.09
5508	60001394	Senior Drafter	\$31.36	\$32.30	\$33.27	\$34.27
5453	60001395	Senior Welder	\$32.36	\$33.33	\$34.33	\$35.36
5446	60001343	Service Technician	\$29.26	\$30.14	\$31.04	\$31.97
5109	60002705	Station Assistant I - UN (MAX)	\$20.19	\$20.80	\$21.42	\$22.06
5110	60001354	Station Assistant II - UN (MAX)	\$26.50	\$27.30	\$28.12	\$28.96
5190	60001364	Tech I - Corrosion DET	\$27.87	\$28.71	\$29.57	\$30.46
5191	60001362	Tech II - Corrosion DET	\$30.73	\$31.65	\$32.60	\$33.58
5192	60001363	Tech III - Corrosion DET	\$33.76	\$34.77	\$35.81	\$36.88
5475	60001378	Welder	\$30.25	\$31.16	\$32.09	\$33.05

Transmission and Storage Operations Department
Local 223 Gas Division
Maximum Pay Rate Schedule

SAP Job Code	Job Title	Maximum Effective June 8, 2009	Maximum Effective July 19, 2010 [3%]	Maximum Effective June 6, 2011 [3%]	Maximum Effective June 4, 2012 [3%]
<u>None</u>	<u>Compression Station Operator</u>	<u>\$27.73</u>	<u>\$28.56</u>	<u>\$29.42</u>	<u>\$30.30</u>
<u>None</u>	<u>Electrician</u>	<u>\$29.35</u>	<u>\$30.23</u>	<u>\$31.14</u>	<u>\$32.07</u>
<u>60001304</u>	<u>Heavy Equipment Operator Max</u>	<u>\$29.30</u>	<u>\$30.18</u>	<u>\$31.09</u>	<u>\$32.02</u>
<u>None</u>	<u>Janitor</u>	<u>\$26.04</u>	<u>\$26.82</u>	<u>\$27.62</u>	<u>\$28.45</u>
<u>60001318</u>	<u>Laborer</u>	<u>\$15.50</u>	<u>\$15.50</u>	<u>\$15.50</u>	<u>\$15.50</u>
<u>None</u>	<u>Process Operator</u>	<u>\$27.73</u>	<u>\$28.56</u>	<u>\$29.42</u>	<u>\$30.30</u>
<u>60001348</u>	<u>Senior Compression Station Operator Max</u>	<u>\$29.30</u>	<u>\$30.18</u>	<u>\$31.09</u>	<u>\$32.02</u>
<u>None</u>	<u>Senior Process Operator</u>	<u>\$28.98</u>	<u>\$29.85</u>	<u>\$30.75</u>	<u>\$31.67</u>
<u>60001349</u>	<u>Senior Repair Employee Max</u>	<u>\$29.30</u>	<u>\$30.18</u>	<u>\$31.09</u>	<u>\$32.02</u>
<u>60001351</u>	<u>Senior Stoppel Operator Max</u>	<u>\$32.36</u>	<u>\$33.33</u>	<u>\$34.33</u>	<u>\$35.36</u>
<u>60001395</u>	<u>Senior Welder Max</u>	<u>\$32.36</u>	<u>\$33.33</u>	<u>\$34.33</u>	<u>\$35.36</u>
<u>60001352</u>	<u>Station Analyst Max</u>	<u>\$24.73</u>	<u>\$25.47</u>	<u>\$26.23</u>	<u>\$27.02</u>
<u>60001356</u>	<u>Stock Employee Max</u>	<u>\$28.32</u>	<u>\$29.17</u>	<u>\$30.05</u>	<u>\$30.95</u>
<u>60001358</u>	<u>Stoppel Operator Max</u>	<u>\$29.98</u>	<u>\$30.88</u>	<u>\$31.81</u>	<u>\$32.76</u>
<u>60001397</u>	<u>Technician 2 Max</u>	<u>\$29.30</u>	<u>\$30.18</u>	<u>\$31.09</u>	<u>\$32.02</u>
<u>None</u>	<u>Welder</u>	<u>\$28.13</u>	<u>\$28.97</u>	<u>\$29.84</u>	<u>\$30.74</u>

**LOCAL 223 GAS DIVISION
ADDENDUM**

LOCAL 223 GAS DIVISION ADDENDUM

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ARTICLE 7: SENIORITY

1. **Company Seniority** — Company seniority is defined as:

- a) The total of an employee's length of service with the Company prior to June 12, 1960, plus that employee's length of service within the bargaining unit thereafter, unbroken in either case by any event specified in paragraph 4) hereof, provided that such employee was a member of the bargaining unit on June 12, 1960;
- b) The total of an employee's length of service within the bargaining unit prior to June 12, 1960, plus his or her length of service within the bargaining unit thereafter, provided that such employee was an employee of the Company but not a member of the bargaining unit on June 12, 1960, and provided further that his or her total length of service with the Company is unbroken by any event specified in paragraph 4) hereof; or
- c) The total of an employee's length of service within the bargaining unit, unbroken by an event specified in paragraph 4) hereof, provided the employee was hired as a new employee subsequent to June 12, 1960.
- d) December 3, 2000, shall be used as the Company Seniority Date for all employees who were employed in the Customer Service Department (GRAT/New Service and Station Assistant Units) on December 3, 2000. April 23, 2001 shall be used as the Company Seniority Date for all employees who were employed in the Corrosion Control Department, on April 23, 2001.

Company seniority shall be computed by the applicable definition. Notwithstanding the foregoing provisions of this paragraph 1), Company seniority of the employees in the Building Maintenance Section of the Real Estate Department shall be subject to the provisions of the letter dated November 8, 1962 from the Company to the Union.

2. **Departmental Seniority** — Department seniority is defined as an employee's length of service, within the bargaining unit in a particular department, unbroken by an event specified in paragraph 4) hereof. Departmental seniority shall be separately computed for the following departments: Distribution, Meter Reading, Metering, Property Operations and Maintenance, Property Maintenance Operations, Field Service Operations, Stock and Transportation Departments.
3. **Seniority of Laid-Off Employees** — Employees laid off by the Company shall continue to accrue Company and departmental seniority for a period of three (3) years.
4. **Loss of Company and Departmental Seniority** — An employee shall lose both Company and departmental seniority if:
 - a) The employee resigns;
 - b) The employee is discharged and not reinstated;
 - c) The employee fails to comply with the provisions of Article 7.25; The employee was hired prior to June 12, 1960, and he or she is laidoff for a continuous period exceeding such employee's length of continuous service with the Company
 - e) The employee was hired on or after June 12, 1960, and he or she is laid off for a continuous period exceeding thirty-six (36) months.
5. **Employees Transferred Outside the Bargaining Unit** — Any member of the bargaining unit who voluntarily transfers to a Non-Union position or to a position within another MichCon, Detroit Edison, or Corporate Services, LLC bargaining unit as a result of a successful job bid may, either at the election of the employee or the Company, be returned to his or her former classification within the Local 223 Gas Division bargaining unit without loss of seniority at any time within ninety (90) days from the date of such transfer. Effective March 1, 1995, if he or she is reassigned to the bargaining unit after said ninety (90) day period, such employee shall not be entitled to any department or Union seniority he or she had at the time of leaving the bargaining unit, and he or she will not be assigned to any classification within the bargaining

unit until the then members of the bargaining unit have had an opportunity to fill such classification under the provisions of Article 8.

6. **Loans Outside the Bargaining Unit** — When the Company loans Union members to work outside the bargaining unit, and such work is the same as the work normally performed by members of the bargaining unit, employees shall be elected for loan from volunteers who are qualified in the needed classification on the basis of departmental seniority; provided that the Company may select, without regard to seniority, any employee who volunteers to perform any job outside of the bargaining unit if such job is not covered by the Classification of Work and Wages. No employee who is loaned under the provisions of this paragraph shall lose any seniority or other status by reason of such loan.
7. **Revised Seniority List** — The revised seniority lists, have established the seniority status of each employee listed thereon. The Company shall, whenever a large transfer of Union employees between departments takes place, and not less often than annually, furnish the Union with current seniority lists which shall be deemed to be accepted by the Union except to the extent that exception thereof is noted in writing within thirty (30) days after delivery of such revised list to the Union. Notwithstanding the foregoing, in the event an error is discovered in any revised seniority list and called to the attention of the Company, correction of the error shall be made; provided that the Company shall not be required to change any action with has been based on the list containing the error.
8. **Breaking Seniority Ties** — Employees added to any of the seniority lists in each bargaining unit shall have their seniority determined as provided in this Agreement, except as otherwise agreed by the parties. When two employees start on a seniority list on the same day, breaking seniority ties shall be determined by the following:
 1. Cumulative time spent in the employee's respective bargaining unit
 2. Cumulative time spent in Local 223 UWUA
 3. Company hire date
 4. Date of birth, with the eldest employee being given preference on the seniority list.

9. **Number of Representatives** — It is agreed that departmental representatives of the Union will be limited to one hundred and thirteen (113) and, along with the Chairperson, Vice-Chairperson, Treasurer, Recording Secretary and Chief Steward shall have top seniority rights as provided in Article 8.19 of the master agreement; Article 7.26; Article 7.14; Article 7.15; and Article 7.16. The Union shall provide the Company with a list of such Union officers and departmental representatives.

The Union acknowledges the importance of exercising its discretion to select and assign department representatives so as not to interfere with the successful operations of the business, and to otherwise work with operation leaders to minimize the number of departmental representatives involved in meetings or special projects.

10. **Union Officer Pay/Coverage** — The Company shall pay for four (4) Local 223 Gas Division Union Officers. Thereafter, the Company will provide coverage at the Company's expense, when one of the four (4) remaining officers is absent due to scheduled CTO time.
11. **Movement and Transfers** — This following section relates to movement and transfer of employees other than under the provisions of Article 8.
12. **Special Skills** — An employee with special skills may be transferred to any department where an opening exists for those skills, provided that the opening cannot be filled by employees presently in that department. In selecting said employee(s), the Company will first canvass the employees having said special skill, and if there are no volunteers, the Company will transfer the employee(s) with the lowest seniority having said skill: General Carpenters / Electricians / Plumbers, General Mechanics, Mechanics, Equipment Technicians, Drafting employees and Senior Welders, Corrosion Control Technicians, Welders and Welder Apprentices.
13. **Seniority Rights When Transfers Are Made** — When transfers are made between departments covered by this Agreement, the transferred employees shall continue to accumulate seniority in their former department for a period of six (6) months. At the end of six (6) months, the seniority of the transferred employees in their new

department shall be started as of the date of transfer and their accumulation of seniority in their old department shall terminate, with the employee's accrued seniority in their old department remaining unchanged and to their credit.

- 14. Movements and Transfers Within a Department** — When the Company declares that a surplus of employees exists in a classification within a department at a particular location, and that additional employees in such classification are needed at another location in the same department, movement and transfer will be accomplished as follows:

- a) Employees in such classification at the location where the surplus exists and who are performing or have satisfactorily performed work which is similar in nature to the work available at the new location will be given preference on the basis of departmental seniority in moving to such new locations.
- b) If no employee in such classification at the location where the surplus exists desires to move, the employees in such classification at such location, having the lowest departmental seniority, and who are performing or have satisfactorily performed work which is similar in nature to the work available at the new location, shall be transferred to the new location; provided, however, that the Union officers and departmental representatives referred to in Article 7.9, shall not be required to transfer in this situation without their consent.
- c) If no employee in such classification at the location where the surplus exists are so qualified, but some employees in such classification at such location desire to move, the Company shall designate the employees to be transferred, taking into consideration their departmental seniority, knowledge, and ability.

- 15. Transfers Between Departments** — When the Company declares that a permanent surplus of employees exists within a department and additional employees are needed in another department, transfers shall be made on departmental seniority, with the high seniority employee being given preference in regard to transferring. If no employees desire to move, the employee or employees having the

lowest departmental seniority shall be transferred; that the Union officers and departmental representatives referred to in Article 7.9, shall, for the purpose of transfer, have top seniority rights. This paragraph shall be applicable to the vacancies resulting in departments with the need for additional employees after Article 8 has been applied to the original vacancy (ies) in that department. Employees possessing special skills as defined in Article 7.12 may be excluded from transfer, pursuant to this provision, if no surplus exists in their classification. If, however, surplus exists in a special skill classification, employees will be transferred in accordance with this provision.

16. **Loans Between Departments** — When the Company declares that a temporary surplus of employees exists within a department and additional employees are needed in another department, loans shall be made as follows:
- a) If the loan involves a work assignment in which the employee reports to his or her own headquarters at the beginning of the shift and returns at the end of the shift, employees shall be assigned work in the borrowing department according to departmental seniority of the employees available on that shift at that location.
 - b) If the loan involves a work assignment in the borrowing department, which is in the same location, employees shall be loaned first by canvassing for volunteers and second by assignment of those lowest in departmental seniority within the loaning area. Where the work assignment requests the development of skills, those employees who have developed such skills on previous loans will be loaned first according to departmental seniority.
 - c) If the loan is for an extended period in which the employee reports at the beginning of the shift to the borrowing department at a different location, employees shall be loaned first by canvassing the loaning department for volunteers and second by assignment of those lowest in departmental seniority within the loaning department; except that the Union officers and departmental representatives referred to in Article 7.9, shall not be loaned in this situation without their consent. Where the work assignment requires the development of skills, those employees who have developed such skills on previous loans will be loaned first according to departmental seniority.

- d) Employees possessing special skills as defined in Article 7.12 may be excluded from loan pursuant to this provision, if no surplus exists in their classification. If, however, a surplus exists in a special skill classification, employees will be loaned in accordance with this provision.

Employees may be loaned on a basis other than as above prescribed; provided that in such event the method of bidding on such loans, the method of moving employees between departments as the loans terminate, the method of calling for additional employees, and any other part of the loaning procedure shall be by mutual agreement between the Union and the Company.

- 17. **Written Details of Movements and Transfers** — The Company will furnish the Union written details of all movements and transfers made in accordance with the provisions of this section.

- 18. **Filling a Job Vacancy Prior to Hiring a Probationer** — Before filling a job vacancy, the Company shall notify the Union of such vacancy, in writing, and shall post notices of such vacancy on all departmental bulletin boards for a period of four (4) working days. Job openings, which Management is still trying to fill 120 calendar days after the date of the original posting, will be re-posted. Employees desiring to be considered for such vacancy shall notify their department head, in writing, during such four (4) day period. The selection of an employee to fill such vacancy shall be made by Company seniority, provided the employee qualifies under the requirements contained in the Classification of Work and Wages, forming a part hereof. An employee transferred pursuant to this paragraph shall be paid the applicable wage rate indicated in Article 7.28. Requests for transfers under this paragraph may be made only by an employee having at least three hundred sixty-five (365) days Company seniority. In the event the employee who is transferred pursuant to this Article and paragraph fails to meet the requirements for the classification during the one hundred and eighty (180) days qualifying period immediately following the effective date of transfer, the Company shall have the right to terminate his or her assignment and return the employee to the classification and department from which employee was transferred. An employee who is transferred in accordance with this provision shall have the right to terminate such assignment during the ninety (90) day qualifying period and will be returned

to his or her former classification, department and location. When an employee is transferred in accordance with this paragraph, he or she will not be allowed to request another transfer for a period of six (6) months from the date such transfer became effective.

19. **Qualifying Period For Non-Distribution/Field Service Transferees Into Distribution/Field Service** — A Local 223 Gas Division member who transfers into Distribution/Field Service pursuant to the Collective Bargaining Agreement shall have a one hundred and eighty (180) calendar day qualifying period (ninety [90] calendar days in Field Service and ninety [90] calendar days in Distribution). In the event the employee fails to meet the requirements for the classification during the one hundred and eighty (180) day qualifying period, the Company shall have the right to terminate his/her assignment and return the employee to the classification and department from which the employee was transferred. A Local 223 Gas Division member who is transferred into Field Service/Distribution pursuant to the Collective Bargaining Agreement also shall have the right to terminate such assignment during the first ninety (90) days of the qualifying period (forty-five (45) days in Field Service and forty-five (45) days in Distribution) and will be returned to their former classification and department. Non-Union employees and Non-Local 223 Gas Division bargaining unit members who transfer into Local 223 Gas Division Distribution/Field Service will be treated the same as new hires.
20. **Determination of Employee to Be Laid Off** — In case of layoff for lack of work, the Company's determination of layoff shall be based upon the factors of:
- a) Company seniority; and
 - b) Knowledge, training, ability, skill and efficiency.

An employee possessing special skills who cannot be replaced by an employee in the bargaining unit shall be excluded from layoffs.

21. **Preferred Recall List** — An employee laid off for lack of work shall be given two (2) pay periods notice, following notice to the Union, and shall be placed on a preferred recall list for the length of time that he or she retains his or her Company seniority, as provided in Article 7.4. During each period, he or she shall not accrue credits for the CTO bank but shall be credited with the Company and departmental seniority if such employee is recalled before the end of the period. If the employee has not been recalled at the end of such period, he or she shall be removed from the preferred recall list and his or her employment shall be terminated. If he or she is thereafter employed by the Company, such employee shall be considered a new employee and classified as a probationer.
22. **Determination of Employee To Be Recalled** — In the case of recall from layoff for lack of work, the Company's determination of the employee to be recalled shall be based upon the factors of:
- a. Company seniority;
 - b. Knowledge, training, ability, skill and efficiency for the job; and
 - c. Physical fitness for the job as determined from a physical examination by the Company doctor.
23. **Accrual of CTO Time Upon Recall** — An employee who is recalled during the period he or she remains on the preferred recall list shall start to accrue CTO time as of the first day of the month in which the employee returns to work at the rate of accrual as if such employee had not been laid off.
24. **Rights of Employee Regarding Insurance Plan, Retirement Plan, etc.** — While an employee is on the preferred recall list, or if he or she is recalled within such period, or if his or her employment is terminated with-out recall, the employee's rights under the Group Life Insurance Plan, Retirement Plan, MichCon Traditional Medical Plan or Health Maintenance Insurance Plans, Group Dental Plan, Surviving Spouse Annuity Plan and Prescription Drug Co-Pay Plan shall be governed by the provisions of such plans.

25. **Notice of Recall and Reporting for Work** — Notice of recall shall be mailed by registered mail to the employee's last address on the Company's records. It is the employee's responsibility to provide the Company with any address changes. The employee so notified must, with-in seven (7) days after such notice is mailed, report for an interview or advise the Company of his or her intentions with respect to such notice recall. Failure to report or advise the Company, as provided above, or failure to accept a job as offered in the department from which the employee was laid off shall result in his or her removal from the recall list and shall void such employee's seniority rights. Failure to accept a job as offered in any other department shall not alter his or her place on the preferred recall list, nor alter the employee's seniority rights.
26. **Seniority Rights of Union Officers and Departmental Representatives** — The Union officers and departmental representatives referred to in Article 7.9, shall, for the purpose of layoff, have top seniority rights.
27. **New Employees** — With respect to new employees, the first three hundred and sixty-five (365) calendar days of employment shall be considered a probationary period during which time such employee shall not be placed on the seniority list. During the first one-hundred and eighty (180) calendar days of employment, an employee may be discharged without recourse to the grievance procedure. During the entire probationary period of three hundred sixty-five (365) calendar days, an employee can also be discharged without recourse to the grievance procedure if the employee is not qualified for the position or has failed to demonstrate satisfactory job performance. After completion of the probationary period, such new employee's seniority shall start from the date of hiring.
28. **Probationers** — Those newly hired into the Company shall be probationers until a probationary period of three hundred and sixty-five (365) calendar days shall have been served. Transferees into the bargaining unit shall be probationers until a probationary period of one-

hundred and eighty (180) calendar days shall have been served. Any employee who hires or transfers into the Gas Division, with the exception of bargaining unit transferees and those hired into Special Skills classifications as defined in Article 7.12 and those hired into the, Service Consumption Technician Building Operator Technician, Corrosion Control Helper, Gas and Electric Staker, Gas Planner Apprentice and Credit and Collection classifications will be paid 60% of the classified pay rate in effect on July 23, 2007 for the life of this agreement and will receive a flat \$0.50 per hour wage increase every six (6) months for a period of thirty-six (36) months as outlined in Schedule I below. For exceptions to the thirty-six (36) month wage progression, refer to Schedule II.

Effective June 2010 — Bargaining unit employees who are on a **sixty (60)** month automatic wage progression and who transfer with less than **sixty (60)** months of employment will be paid an appropriate flat rate as determined by the Company until such time as they complete their **sixty (60)** months. Such bargaining unit transferees with **sixty (60)** months of employment or more will be paid 95 percent of the base rate of the classification they are transferring into for the first nine (9) months. Thereafter, the employee shall be paid their full-classified rate.

Employees transferring into Special Skills classification with less than twelve (12) months Union seniority will be paid 85 percent of the base rate of pay until they have accumulated a total of twelve (12) months of Union seniority. During the next six (6) month period, the employee will be paid 90 percent of the base rate of pay and thereafter receive the base rate of pay. Employees with more than twelve (12) months Union seniority but less than thirty-six (36) months of Union seniority will be paid 90 percent of the base rate of pay for the first six (6) months and thereafter receive the base rate of pay. Employees with more than thirty-six (36) months Union seniority will receive the base rate of pay.

Any employee newly hired into a special skills classification as defined in Article 7.12 will be paid 85 percent of the base rate of the classification in which he or she is assigned for twelve (12) months. During the next six (6) month period, such employee will be paid 90 percent of the base rate of

his or her assigned classification. After completion of eighteen (18) months of employment, the employee will be paid the full base rate of his or her classification. Rate changes applicable shall become effective on the Sunday following the completion of the applicable periods set forth above except that when the date of completion falls on a Sunday or Monday, the change shall become effective on the beginning of the pay period in which such completion date falls. Accumulated total time will not apply on the probationary period if interrupted by absence for six (6) weeks or longer at any one time. If a probationer cannot perform the duties of the group in which classification the employee was scheduled, the employee may at any time be dismissed or be classified in and assigned the duties of any other group in which there may be a vacancy.

No employee shall be hired to fill a vacancy in any classification if there is an employee in a lower classification of similar nature within the same department who is qualified to meet the requirements of the vacancy.

29. **Probation Notification** — The Company agrees to give notice to the chairman of the Union monthly during the entire three hundred and sixty-five (365) day probationary period, when a probationer has not been performing well.

It is agreed and understood that failure to comply with this provision will not preclude the Company from terminating said employee prior to the end of his or her probationary period, and that the intent of this understanding is to give the Union the opportunity to assist the probationer to succeed. Additionally, employees who have satisfactorily completed probation will be advised of the same at such time.

Apprentice Starting Rates and Progression

Classification	Starting Rate	Flat Rate Amount Every Six Months During a <u>60</u> -Month Period
Field Operator Apprentice	<u>\$18.08</u>	\$0.50
Maintenance Fitter Apprentice	<u>\$18.08</u>	\$0.50
Service Technician Apprentice	<u>\$18.08</u>	\$0.50
<p>Upon completion of <u>sixty (60)</u> months within said classification; he/she will advance to the full contract rate, if qualified.</p> <ul style="list-style-type: none">• <u>Starting rate is 60% of the classified rate in effect on July 19, 2010 for the life of this agreement.</u>		

Classification	Wage Rate	Progression Criteria
Gas and Electric Staker	\$13.00	The \$13.00 starting rate will remain constant throughout the term of the contract. Employees in this classification are eligible for a \$0.50 increase to base every six (6) months, not to exceed \$15.50.

<u>Credit and Collection Progression</u>	
Classification	Starting Pay Rate Pay Line Minimum
Collection Rep I • Automatic progression from Collection Rep I to Collection Rep II with minimum salary of <u>\$17.33.</u>	<u>\$15.22</u>
Collection Rep II	<u>\$17.33</u>
Specialist I – Special Handling	<u>\$19.91</u>
Specialist – Theft Billing	<u>\$19.92</u>
Specialist II	<u>\$22.06</u>
Field Collector I • Automatic progression salary increase after one year to \$16.37 with no change in classification.	<u>\$15.22</u>
Field Collector II	<u>\$19.30</u>
Theft Investigator	<u>\$22.06</u>
Processing Clerk	<u>\$13.24</u>
Office Administrator	<u>\$19.86</u>

Gas Meter Reading Rates

<u>Classification</u>	<u>Maximum Effective June 8, 2009</u>	<u>Maximum Effective June 19, 2010</u>	<u>Maximum Effective June 6, 2011</u>	<u>Maximum Effective June 4, 2012</u>
<u>Meter Reading Clerk/PC Operator</u>	<u>\$19.50</u>	<u>\$20.09</u>	<u>\$20.69</u>	<u>\$21.31</u>
<u>General Service Consumption Technician</u>	<u>\$19.34</u>	<u>\$19.92</u>	<u>\$20.52</u>	<u>\$21.14</u>
<u>Service Consumption Technician - After 3rd year</u>	<u>\$13.00</u>	<u>\$13.39</u>	<u>\$13.79</u>	<u>\$14.20</u>
<u>Service Consumption Technician - After 3rd year</u>	<u>\$1.250</u>	<u>\$12.88</u>	<u>\$13.27</u>	<u>\$13.67</u>
<u>Service Consumption Technician - After 3rd year</u>	<u>\$12.00</u>	<u>\$12.36</u>	<u>\$12.73</u>	<u>\$13.11</u>
<u>Service Consumption Technician - After 3rd year</u>	<u>\$10.00</u>	<u>\$10.30</u>	<u>\$10.61</u>	<u>\$10.93</u>

New Hire Rate

New hires into the Credit and Collection (excluding processing clerks and administrative support) will be brought in as a Collector I (field) or Collection Representative I (office) and paid a starting rate of \$14.78 per hour. Thereafter, these employees will be required to serve a 5-year wage progression as outlined below.

Collector I (field)

Starting rate of pay **\$15.22**

After 1 year **\$17.33**

Thereafter, the employee shall receive \$0.29 every six months until completion of the 5-year progression. On day one of the eighth year, the employee shall receive the contractual rate of pay in effect for a Collector I at that time.

Collection Representative I (office)

Starting rate of pay **\$15.22**

After 1 year – Collection Rep II **\$17.33**

Thereafter, the employee shall receive .58¢ every six months until completion of the 5-year progression. On day one of the eighth year, the employee shall receive the contractual rate of pay in effect for a Collection Rep II at that time.

Note: Throughout the **five (5)** year progression period the employees in the above classifications shall not be entitled to any general wage increases to their base rate or lump. Furthermore, they shall receive any progression payments due the first pay period in January/July progression payment cycle.

Promotions and Transfers

Any employee who accepts an advanced assignment/promotion shall be compensated as follows:

- a. If the employees' hourly rate of pay is below the minimum of the classification he/she will be brought up to the minimum of the classification.

- b. Calculate wage progression amounts based on the required 7-year wage progression agreed to between the parties.
- c. The employee(s) shall receive the first wage progression payment effective the date in which they move into their new position/classification. The remaining Wage Progression payments are payable each January and July thereafter.

(1) For all Credit and Collection progression provisions on or after July 1, 2005, refer to the Credit and Collection Wage Progression Agreement, as outlined below.

Local 223 Gas Division Credit and Collection Wage Progression Agreement

Job Classifications included:

Job Family: Field Collection
Field Collector I
Field Collector II
Theft Investigator

Job Family: Office Collection
Collection Rep I/Collection Rep II
Specialist I-Special Handling/Specialist I-Theft Billing
Specialist II

The current progression steps will be modified only as outlined below:

1) All Field Collector I's who are successful bidders on a Field Collector II vacancy will have the number of their progression increase steps reduced one step for every six months of current service worked in the Field Collector I job classification up to a maximum of **five** steps (e.g., a Field Collector I with 3 1/2 years classification seniority would have seven progression steps to the top rate of Field Collector II).

2) All Field Collector II's who are successful bidders on a Theft Investigator vacancy will have the number of their progression increase steps reduced one step for every six months of current service worked in the Field

Collector II job classification up to a maximum of seven steps (e.g., a Field Collector II with 3 1/2 years classification seniority would have seven progression steps to the top rate of Theft Investigator).

3) All Collection Rep I/Collection Rep II's who are successful bidders on a Specialist I-Special Handling/ Specialist I-Theft Billing vacancy will have the number of their progression increase steps reduced one step for every six months of current service worked in the Collection Rep I/Collection Rep II job classification up to a maximum of seven steps (e.g., a Collection Rep I/Collection Rep II with 3 1/2 years classification seniority would have seven progression steps to the top rate of Specialist I-Special Handling / Specialist I-Theft Billing).

4) All Specialist I-Special Handling/ Specialist I-Theft Billing's who are successful bidders on a Specialist II vacancy will have the number of their progression increase steps reduced one step for every six months of current service worked in the Specialist I-Special Handling/ Specialist I-Theft Billing job classification up to a maximum of seven steps (e.g., a Specialist I-Special Handling/ Specialist I-Theft Billing with 3 1/2 years classification seniority would have seven progression steps to the top rate of Specialist II).

ARTICLE 8: WORKING CONDITIONS

1. **Personnel Policies, Work Rules and Regulations** — Personnel policies, work rules and regulations (hereinafter work rules) previously adopted by the Employer and not inconsistent with the provisions of this Agreement shall continue in effect. The Employer retains the right to make reasonable modifications of such work rules and to adopt reasonable new work rules, but no such modifications shall be made and no such new work rules or modifications shall be adopted without prior written notice to the Union and for thirty (30) calendar days after such written notice during which time the Union shall have the right to negotiate the matter if it so desires. In the event the matter is not resolved through negotiation and the Union contends that any such new work rule or modified work rule is unreasonable; it may file a grievance. In the event a grievance is filed by the Union, the grievance will automatically move to arbitration (See Expedited Arbitration Process Agreement). After the said thirty (30) day negotiation period, the Company shall have the right to institute the new work rule or modification of an existing work rule.

2. **Employees' Cars.** Car Mileage — When a car mileage allowance is authorized by the IRS, the Company will recognize said allowance in the next available pay period during the term of this contract. In the Gas Division: Field Collectors I & II and All Meter Readers not assigned Driving Routes are required to own or lease a car and to use such a car in the performance of their job, including traveling from job to job and home to job.

3. **Vehicle Maintenance Allowance for Field Collections** — The Company agrees to increase the vehicle maintenance allowance to \$280.00 before taxes, to be paid out bi-annually, throughout the term of the contract.

4. **Distribution of Paychecks** — On or after June 30, 1996, the Company will distribute paychecks to employees biweekly on Thursday, after 3:00 p.m. However when the last pay date of the year falls on January 1, the Company reserves the right to pay the last pay check on the day prior or the day after the January 1st pay date.

The Union has also agreed that the Company may convert its payroll payments schedule for the Union's membership from bi-monthly to semi-monthly, to the extent such suggested pay practices are consistent with the law and available technology. The paycheck dates will be the (15th) fifteenth and last workday of each month. The parties will meet to discuss the detail application and implementation of the semi-monthly pay period at the monthly LMC meeting.

5. Free Space

6. **Leave of Absence** — An employee having two (2) or more years of service with the Company may be granted a leave of absence for health, recreational or educational reasons for a period not to exceed six (6) months subject to the following conditions:

- (i) No leave shall be granted unless, prior to the date on which the employee proposes to commence such leave, the Company, without additional cost, adding to the work force, or impeding the execution of the workload can make arrangements for replacement by shifting employees who are now on the active payroll and are qualified without further training to do the work of the employee requesting the leave of absence;
- (ii) All earned CTO time be used before the starting date of the leave;
- (iii) An employee receiving a leave of absence for a period exceeding one (1) month shall be transferred to the inactive payroll effective the date such leave of absence commences and shall thereupon cease to accumulate departmental seniority and CTO time . In addition, opportunity for advancement shall be closed, and the employee shall be considered for layoffs to the same extent he or she would be so considered if such employee were on the active payroll;
- (iv) While an employee is on leave of absence and upon termination thereof, his or her rights under the Retirement Plan, Group Life Insurance Plan, the Traditional Medical Plan or Health Maintenance Insurance Plan, Group Dental Plan, Prescription Drug Co-Pay Plan and Surviving Spouse Annuity Plan shall be governed by the provisions of such plans;
- (v) Upon termination of a leave of absence exceeding one (1) month, the employee shall be examined by the Company doctor. In the event the employee is found not physically or mentally qualified to resume the normal duties of his or her classification, the employee need not be reinstated on the active payroll until the disability has been corrected. If such correction is not effected within six (6) months, the employee need not be reinstated. If and when the employee is found so qualified, he or she shall be returned to the active payroll and such employee shall start to accumulate departmental seniority and shall start to accrue, on the basis of his or her length of continuous employment with the Company, uninterrupted by an event that would cause a loss of seniority and CTO time as of the first day of the month in which the employee returns to work. Further, such employee shall be

entitled to all departmental seniority previously accumulated and all CTO time previously accrued and not used;

- (vi) An employee on a leave of absence shall notify the Company of his or her intentions regarding his or her return to work at least seven (7) days prior to the termination date of such leave. Failure to report on the day following the termination date of such leave shall constitute just cause for discharge. A leave of absence shall not be granted to permit an employee to accept employment elsewhere or to engage in any other business activity, and if an employee accepts employment elsewhere or engages in any other business activity during the employee's leave of absence without the consent of the Company, this action shall constitute just cause for discharge.

7. Advanced Assignment Opportunities — Opportunities for advanced assignment for promotion shall depend upon the need for additional employees in higher classified jobs.

- Upgrades in Field Service and Distribution – Any employee who goes to school at the training center for an upgrading in the Field Service Operations or Distribution Operations Departments will be placed on advanced assignment except the employees who are on loan for the entry level position in said department.

8. Job Vacancy Location List — When the Company finds that such need exists, it shall furnish the Union a list showing the location of such job vacancy, the employees in the classification from which advancements will be made, and the departmental seniority of such employees. See Filling Vacancies, Article 7; also see Letter of Agreements.

9. Filling a Job Vacancy by Movement — When a vacancy and a surplus need occur concurrently, the provisions of Article 8 shall be applied before the provisions of Article 7. No vacancy, at any location, shall be filled by advanced assignment until the employees in the same classification and department who are performing, or who have satisfactorily performed, work which is similar in nature to the work to be performed where the vacancy exists, and who have the highest departmental seniority, are given the opportunity to move to the location or shift where the vacancy exists. Employees in the Distribution, Metering, Property Operation and Maintenance, Property Maintenance Operations, Stock, Transportation, Field Service Operations, Corrosion Control and Meter Reading Departments may submit

their choice(s) in order of preference for moving laterally from one location to another within their department. The employee's choice(s) can be amended at any time prior to a vacancy being posted provided that no change in preference will be permitted with respect to a declared vacancy once the vacancy is posted. Any employee not submitting his or her choice(s) for lateral moves will not be considered for such moves. No more than one (1) employee will be moved as a result of one (1) original vacancy.

10. Semi-Annual Ratings — All employees covered by this Agreement shall be rated by the Company semi-annually as qualified or not qualified by reason of knowledge, training, ability, skill and efficiency on the work they are currently performing in their job classification. In the event an employee is rated as not qualified, the reason therefore shall be given to the employee. A list of the ratings of employees in each department shall be forwarded to the Union office.

11. Filling a Job Vacancy by Advanced Assignment — After such movement as provided in Article 8.9, the vacancy shall be filled by advanced assignment in accordance with the following:

- a) Only those employees shall be eligible for advanced assignment who are in the next lower classification group and who have been rated by the Company (on semi-annual ratings) as qualified and who are satisfactorily performing, or have satisfactorily performed at a group level immediately below the group in which the job opening exists, work of a nature similar to the work to be performed in such higher classified job. If no employee in the next lower classification bids for said job opening, the Company will continue to canvass employees in the next lower classifications who have been rated by the Company (on semi-annual ratings) as qualified and who are satisfactorily performing at a group level, below the group in which the job openings exist, work of a nature similar to the work to be performed in such higher classified job.
- b) Employees not eligible for advanced assignment because they have been rated as not qualified, but who have sufficient departmental seniority shall be rated again before any selection for advanced assignment is made. In the event an employee is again rated as not qualified, the reason therefore shall be given to the employee. Employees

remaining not qualified upon such re-rating, and therefore not advanced, shall have recourse to the grievance procedure.

- c) Among employees so eligible, selection of those to be offered advance assignment will be made on the basis of departmental seniority. Employees in the Field Distribution Operations, Metering, Property Operation and Maintenance, Property Maintenance Operations, Transportation, Field Service Operations Corrosion Control, and Field Meter Reading Departments, desiring advanced assignment opportunities, shall submit their choice(s) in order of preference with respect to the position(s) and location(s) where they would accept an advanced assignment opportunity. The employee's choice(s) can be amended at any time prior to a vacancy being posted, provided that no change in preference will be permitted with respect to a declared vacancy once the vacancy is posted. Any employee not submitting his or her choice(s) with respect to advanced assignment opportunities will not be considered for such opportunities. If special skills are necessary to perform the higher classified job, only those employees will be selected who possess such special skills. If physical fitness is a factor, determination of the employee's qualification shall be made by the Company doctor.
- d) Prerequisite skill qualifications, where required in certain classifications, shall be described in the Classification of Work and Wages. To be eligible for assignment to such a classification, an employee must possess and satisfactorily demonstrate such prerequisite skill qualifications in the manner specified in the classification prior to advanced assignment. Where licenses are a prerequisite skill,
 - The employee must exhibit possession of such license before placement on advanced assignment.
 - If an employee fails to qualify for an upgrading, they will have to wait six (6) months before they will be given another opportunity for the same upgrading.

12. Written Details of Movements and Advance Assignments — The Company will furnish the Union written details of all movements of employees and advanced assignments made in accordance with the provisions of this Article.

13. Removal of an Ineligible Employee From Advanced Assignment

If an employee has been placed on advanced assignment and it is determined within the qualifying period thereafter that another eligible and qualified employee was entitled to such assignment because of his or her departmental seniority, the Company will forthwith terminate the assignment made and place the employee having the greater departmental seniority on such assignment. The qualification of the eligible employee will remain dependent upon his actual work in the higher classification for the specified time. The time worked will remain to the credit of the employee whose assignment is terminated in the event he or she is later placed on the same advanced assignment.

14. Credits Accumulated on Temporary Assignment — In the event the Company shall request an employee to perform the duties of a higher classification without placing him or her on advanced assignment in accordance with the provisions hereof, for a period sufficient to qualify the employee for promotion to the higher classification, it shall be conclusively presumed that a job vacancy in such higher classification exists. In such event, the provisions hereto relating to the filling of job vacancies by movement of employees and by advanced assignments shall govern the filling of such vacancy. If, under such provisions, the employee who has performed the duties of the higher classification is entitled to such promotion, the employee entitled thereto will be placed on advanced assignment for the higher classification and will be paid the rate for the higher classification; provided, however, that he or she must serve the normal qualifying period specified for the higher classification and meet all other requirements for such classification prior to being promoted thereto. The employee who has performed the duties of the higher classification and has not been promoted shall receive no credit toward qualifying for the higher classification despite any other provision herein contained to the contrary.

15. Failure to Meet Requirements of Higher Classification — In the event any employee who is placed on advanced assignment for promotion to a higher classification fails to meet the requirements for that classification during the qualifying period specified therein, the Company shall have the right to terminate his or her assignment. Any employee who is placed on advanced assignment for promotion to a higher classification also shall have the right to terminate such assignment during the qualifying period, provided the employee shall not be entitled to credits for time spent on advanced assignment and the higher rate of pay received during the advanced assignment period, when a employee returns to his or her former classification.

ARTICLE 9: HOURS OF WORK AND OVERTIME

1. **Distribution of Overtime** — Both parties recognize that in cases of emergencies and seasonal changes in demand, employees may be required to work in excess of their scheduled hours. Such work shall be distributed equitably, in a systematic manner within each department, among employees qualified to do the work.

2. **Work Hour Limitation** — No employee will be required to work more than sixteen (16) consecutive hours (exclusive of non-paid eating time) unless agreed to by the employee.

3. **Make-Up Time** — Whenever possible, and whenever there is work to be done in his or her department and location, an opportunity will be given an employee, upon request, within the current workweek, to make up time lost due to justifiable absence, provided that supervision has approved the intended absence, and if the work is normally performed under direct supervision, such supervision is in attendance. In such case, pay for that time will be at regular straight-time hourly rates.

4. **Work Shifts** — It is mutually agreed that, although work shifts should be held to a minimum number, it is the Company's responsibility to determine the need for shift work based on the function of a department or departmental activity and the requirements of the Company's customers. However, prior to any change in shift time or the creating of a new shift by the Company, the need therefore shall be discussed in detail with the Union. If the Union does not agree as to the need for any change in shift time or the creation of a new shift, the matter may be made subject to the grievance procedure hereinafter set forth, provided that the Company may effect such change in shift time or create a new shift pending and subject to the outcome of the grievance procedure.

5. **Premium Pay** — Except as provided in Article 9.5 (c) below and Article 9.3, time and one-half (1-1/2) the employee's regular straight-time hourly rate of pay shall be paid for:

- a. Work performed by an employee outside of his or her scheduled work hours;

- b. Work performed by an employee required to start on Martin Luther King's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, the Day after Thanksgiving;
- c. Work performed by an employee scheduled to be started on Saturdays or Sundays, when these days fall within the employee's forty (40) hour work week, employee will be paid at one and one-quarter (1 1/4) the employee's regular straight-time hourly rate of pay.
- d. Double time shall be paid for Thanksgiving Day, Christmas Eve, Christmas Day, New Years Eve and New Years Day. Double time will only be paid on the actual day of the holiday and not on the date on which the Company celebrates the above holidays as defined in Article 9.7. In no case will premium compensation be duplicated or pyramided.
- e. Hours worked in excess of sixteen (16) in any one (1) workday, off-day, or continuous work period-double time.

6. **Paid Eating Time** — When an employee works two (2) hours past the end of his or her first eight (8) hours and must continue working, he or she shall be allowed a one-half (1/2) hour lunch period with no loss of pay. For each additional consecutive four (4) hours, he or she shall be allowed another one-half (1/2) hour lunch period without loss of pay, providing the work must continue.

7. **Paid Holidays** — With the exception of part-time employees, summer employees and employees with less than ninety (90) days of service, each employee will receive, in addition to any compensation provided for in Article 9 hereof for time worked, eight (8) hours straight-time pay for each of the following days: New Year's Day, Martin Luther King's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the Day after Thanksgiving, December 24, Christmas Day, and December 31. Part-time employees will receive that part of eight (8) hours straight-time pay in the proportion of their normal scheduled workweek bears to a forty (40) hour workweek. Summer employees are not eligible to receive holiday pay. Whenever possible, and if consistent with safe plant operations, employees shall not be required to work on holidays. No employee required to work on a holiday shall be scheduled to take corresponding time off because of having worked on such day. New employees with less than ninety (90) days of service will not be eligible to receive pay for the first two (2) holidays.

Holiday Considerations

When the Fourth of July falls on a Saturday, Friday will be considered the holiday. When the Fourth of July falls on a Sunday, Monday will be considered the holiday. When Christmas Eve and Christmas Day, New Year's Eve and New Year's Day fall on a Friday and Saturday, Saturday and Sunday or Sunday and Monday, the Company will celebrate said holidays as follows:

ACTUAL DAY OF HOLIDAY

Friday and Saturday
Saturday and Sunday
Sunday and Monday

COMPANY CELEBRATES

Thursday and Friday
Friday and Monday
Monday and Tuesday

However, on said Thursday and Tuesday, Field Service Operations will schedule at least 30% of its employees off.

8. **Rest Time** — a. When an employee is required to work such hours that all, or nearly all, of the employee's normal sleeping time is lost, it is the supervisor's responsibility to release him for a sufficient rest period as soon as the work permits. If an employee works such hours that the employee should be released for rest as soon as the work permits, but the employee prefers to forego his/her rest and work additional hours, the employee should not be permitted to work but should be directed to rest.

b. If the necessities of the work permit, and sixteen (16) hours or more have been worked in a twenty-four (24) hour period, the rest period should be at least eight (8) hours.

c. A rest period may be provided either because long hours have been worked or because they are anticipated.

d. An employee who is released under Paragraphs a, b, or c of this Section 9.8 by his/her supervisor during any hours of the employee's regularly scheduled forty (40) hour work week will be paid at the employee's straight-time rate for rest time during such scheduled hours.

e. When an employee who has been released from his/her regularly scheduled hours for a paid rest period is required to return to work within

ten (10) hours of his/her release (but not otherwise), the employee's paid rest time and the employee's worked time for the workday shall be added together to determine when double time should begin.

f. The provisions of Article 9.8 will supersede any provisions in regards to "Continuous Overtime" or "Relieving Overtime Crews" in all separate overtime write-ups within the Local 223 Gas Division.

ARTICLE 10: WAGE COLLATERALS

1. **Funeral Leave** — *(See Section 10.4 in the Collective Bargaining Agreement)*

2. **Jury Duty** — When any full-time employee is required to serve on a jury or as a subpoenaed witness, that employee will be excused from his or her regular duties on the days such employee is required to appear in court. Employees will be paid eight (8) hour's pay at their regular straight-time rate. Effective December 4, 1988, employees will retain the check issued for jury service and/or serving as a subpoenaed witness.

3. **Gas Division Paid Sick Time Transition Table:**

In order to recognize the amount of banked time that an employee may have under the prior Accident and Sickness Plan the following transition process will convert sick banks, prior to applying the Accident and Sickness replenishing rules, into banks to be used in conjunction with the sick pay program in Article 10.4 and 10.9.

Transition Table for Current Gas Division Employees (Prior to replenishing rules)	
80% Bank	Convert to Prior Year 1, Prior 2 and Prior 3
90% Bank	10% credited to the Recognition Bank (160 hour cap applies)
Once all the banks have been converted (Prior 1, 2 & 3) and the Recognition Bank) any excess hours will be transferred into a grandfathered bank that will be paid at 80% of the employees base salary. Once this bank is used it will not be replenished.	

4. **Utilization of Benefits for Total and Permanent Disability** — The Company reserves the right to retire an employee under the Permanent and Total Disability provisions of the Retirement Plan prior to the expiration of benefits under the Extended Disability (ED) benefit.

Employees who have a non-occupational disability after six consecutive months shall be examined by the Company doctor. If in the opinion of the Company doctor the employee will recover and be able to resume his/her current position, the employee shall be allowed to continue to use their ED benefits, if any, or be placed on a medical leave of absence for up to fifty-

two weeks. After this initial examination, the Company reserves the right to have the Company doctor periodically examine the employee to confirm whether or not the employee is still likely to recover and be able to resume his/her current position.

If after the initial six month exam, or any subsequent examination by the Company doctor, the Company doctor determines that the employee will not recover and be able to resume his/her current position, the employee shall be allowed to continue to use the employee's ED benefits, if any for up to a total period of six months and/or in the event the employee's ED benefits have expired, he/she shall be placed on a medical leave of absence for up to a total of six months, from the date the results of the Company doctor exam are provided to the Company, in order to give the employee time to try and identify a position within the Company for which he/she is qualified to perform and for which the employee is selected to fill by the Company.

Upon completion of the additional six month period, if the employee has not been selected to fill a position for which they have been determined qualified by the Company, the employee shall be retired under the Permanent and Total Disability provisions of the Retirement Plan if he/she is eligible in accordance with the provisions of the Retirement Plan. If said employee is not eligible for retirement under the Permanent and Total Disability provisions of the Retirement Plan, he/she shall be terminated and receive a Termination Payment. Employees who still have a non-occupational disability after the expiration of his/her benefits, and who have not been retired under the Permanent and Total Disability provisions of the Retirement Plan or been terminated in accordance with the provision of Termination Payments, as defined under this provision an employee shall be placed on a medical leave of absence.

<u>Length of Continuous Employment</u>	<u>Number of Hours For Termination</u>
6 months to 1 year	174
1 but less than 2 years	348
2 but less than 3 years	522
3 but less than 4 years	696
4 but less than 5 years	870
5 but less than 6 years	1044
6 but less than 7 years	1218

An employee shall not receive any compensation while on medical leave of absence and shall be paid in full for any and all unused, earned and accrued CTO credits due to him/her before being placed on such leave. While an employee is on a medical leave of absence and upon termination thereof, his/her rights under the Retirement Plan, Group Life Insurance Plan, Medical Plan or HMO, Group Dental Plan, Prescription Drug, and Surviving Spouse Annuity Benefit shall be governed by the provisions of such plans.

Should a doctor of the employee's choice dispute the Company doctor's opinion of the recovery or expected recovery time, the employee shall be examined by a health care provider who has been mutually agreed upon and such provider shall make the final determination of the employee's recovery and ability to resume their current position. The cost of examination by such medical staff and transportation costs to and from such hospital for these examinations shall be borne by the Company.

5. Income Protection Preamble — The parties agree that unit employees will be provided with a retirement (pension) benefit plan (which includes, in part, a surviving spouse annuity benefit), an investment benefit plan, a group life insurance benefit plan, and a group accidental death and dismemberment plan. The benefits are, in broad terms, as set forth below. The provisions of this article, however, are merely to provide for the stated benefits, to memorialize the parties' agreements in the negotiation of the instant collective bargaining agreement, and to highlight some of the provisions of the benefits provided. The actual, specific provisions of each of the benefits are not set forth herein, but are contained in the plan documents for each benefit, which are incorporated herein by reference. Such plan documents are available to unit employees, upon request, from Michigan Consolidated Gas Company (Company). Reference must be made to plan documents regarding any issue of construction or application for each benefit's terms and options.

The benefits are as follows: (1) Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America (Retirement Plan), as amended (including a surviving spouse annuity benefit), (2) Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America (Investment Plan), as amended, (3) Group Life Insurance Plan, and (4) Group Accidental Death and Dismemberment Plan.

With regards to the Retirement Plan, see paragraph (1) below, unit employees are eligible for coverage under this plan if they are a Union employee of the Company, are at least 18 years old, and have completed at least 1,000 hours of service during any 12-month period that begins on the employee's first day of employment with the Company or any anniversary thereof.

If any employee who is retired because of total and permanent disability becomes able to work, he or she may, at the option of the Company, be removed from retirement and offered re-employment with the Company. If he or she is removed from retirement and offered re-employment, that employee shall be given the job he or she held at retirement if that job is in existence and such employee has the capacity to perform that job. If the job is not in existence or the employee does not have the capacity to perform that job, he or she shall be offered another position without loss of pay. If he or she refuses to accept the job which is offered, that employee shall lose his or her eligibility for subsequent benefits as a total and permanent retiree. In such event, his or her rights under the Retirement Plan shall be the same as those of an employee who voluntarily resigns, less benefits received as of the date of such termination. No employee who is retired under total and permanent disability shall lose any rights under the Retirement Plan by virtue of earnings because of employment as long as such earnings are not sufficient to constitute a forfeiture of total and permanent disability benefits under Social Security.

Employees who retire under the 30-and-out provision of the Retirement Plan may seek employment elsewhere without suffering any reduction in his or her 30-and-out pension supplement.

With regard to the Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America, see paragraph (2) below, the Company has made provision for its full-time employees who have reached the age of twenty-one (21) and completed one (1) year of service to enroll in the Investment Plan. The Company reserves the right to amend, modify, suspend or terminate the Investment and Stock Ownership Plan, as set forth in the Plan Document.

Effective January 1, 2008, the Company shall provide for automatic plan enrollment for all employees hired on or after January 1, 2008. The default

deferral rate will be 4% with contributions being invested in a lifecycle fund based on the participant's age. Automatic enrollment will commence 30 days after the date of hire unless the employee has contacted Fidelity to opt out of automatic enrollment of the plan, to increase or decrease the deferral rate or to invest in a fund other than the lifecycle fund based on the participant's age.

With regard to the Group Life Insurance Plan, see paragraph (3) below, benefit entitlement for life insurance shall become effective the first of the month in which a new employee's ninetieth (90th) day of employment occurs. Life insurance shall also be provided for retirees, as set forth below.

With regard to the Group Accidental Death and Dismemberment Plan, see paragraph (4) below, new employees will be eligible for this benefit on the first of the month following the employee's date of hire.

The parties have in this agreement eliminated much of the language set forth in Article VIII of previous contracts, for purposes of ease and clarity of reference, and have incorporated the various plan documents by reference. Such elimination and incorporation, however, are not intended to diminish or otherwise affect, except as specifically agreed in the parties' negotiation of the present collective bargaining agreement, the terms, conditions and benefits afforded under the prior contract, and associated language, including pertinent plan documents. To the extent of any conflict adverse to the rights and interests of unit employees, the terms and conditions of the prior agreement and/or plan documents shall prevail. The parties agree that the options and benefits stated herein shall not be changed during the term of this agreement, except as specifically allowed. The parties agree that any change in any benefit plan, or the terms, conditions, and benefits of same, except as specifically permitted herein, must be noticed to the Union, and are subject to its rights under the National Labor Relations Act, and, as may be applicable, the collective bargaining agreement.

6. Retirement Plan — Listed below is a brief description of Michigan Consolidated Gas Company Retirement Plan for Employees Covered by Collective Bargaining Agreements (Retirement Plan) benefits as agreed to by the Company and Local 223 Gas Division, which includes the Local 223 Transmission and Storage Operations department. The benefits described herein, apply to employees hired prior to January 1, 2005. The Company has

the right to amend, withdraw, or terminate the Retirement Plan as provided in the Plan Document. The official terms of the Retirement Plan will govern in the event of any interpretation, discrepancy, application and/or decision in specific circumstances.

- (a) Pension benefit calculations and plan provisions for Local 223 Gas Division employees hired prior to January 1, 2005 will be provided as follows:
 - i. credited service prior to January 1, 2005 will be governed by the plan provisions listed below. If hired prior to January 1, 1995 this benefit is eligible for a Cost of Living Adjustment (COLA). If hired on or after January 1, 1995 this benefit would not be eligible for COLA.
 - ii. credited service after December 31, 2004 will be governed by the Local 223 Trade and OPT pension plan provisions as outlined in Article 10 beginning January 1, 2005, except that the Disability Provision, as described in this section, will apply to all credited service. This benefit is not eligible for a COLA. However, Local 223 Gas Division employees hired prior to January 1, 1995, will have credited service for 2003 and 2004 calculated under the Local 223 Trade and OPT pension plan provisions and this service would include COLA and lump sum and ten year certain payment provisions.
- (b) Pension benefit calculations and plan provisions for Local 223 Gas Division employees hired after December 31, 2004 will be provided as follows:
 - i. all credited service will be governed by the Local 223 Trade and OPT pension plan provisions as outlined in Article 10. This benefit will not be eligible for COLA.

Detailed below are the provisions that will apply to all credited service earned prior to January 1, 2005. The only exception would be the service credited in 2003 and 2004 for employees hired prior to 1995, which would be eligible for COLA, lump sum and ten year certain payment provisions, and calculated based on the pension plan provisions in Article 10 of Trade and OPT. All credited service earned after December 31, 2004 will be governed by the Article 10 of Trade and OPT pension plan provisions.

The rules for calculating the pension, determining eligibility, vesting, social security supplements, distribution of benefits, reduction factors, payment options and active death benefits will be governed by the plan documents for each plan.

Retirement Plan Notice — Employees who elect to retire with less than four months but at least thirty days prior notification may use their earned or accrued CTO time during the period between notice of and actual retirement.

Retirement Plan Performance — The Company agrees to meet with the Local 223 Gas Division officers annually in order to inform the Union Officers about the investment performance of the MichCon Master Trust Employee Retirement Plan during the previous year. In addition, the Company will provide the officers of Local 223 Gas Division with a quarterly pension report.

Retirement Plan Supplement — If an employee retires prior to his/her Social Security normal retirement age, with at least 30 years of credited service, he/she may receive an early retirement supplement. For retirements on or after January 1, 2003, the total minimum monthly pension benefit payable to age 62, including the “supplement,” will be \$2,200. Union members between the ages of 62 and Social Security normal retirement age may elect to continue his/her Company pension supplement until Social Security normal retirement age or begin drawing on any Social Security benefits prior to that date. Members may elect either option but not both. Each member will be required to sign a Social Security Release form and Pension Withholding Authorization form allowing recovery of overpayments should the retiree begin receipt of Social Security benefits and not advise the Company. If an employee retires with 30 years of credited service before age 55, the minimum monthly pension benefit shown above will be reduced to reflect the number of additional years the minimum monthly pension benefit will be received and may be prorated to reflect the pre-2005 benefit. For instance, all eligible service with the Company will be combined for the purpose of determining eligibility for early retirement and for SERA and i30 and Out supplements. For example, if a member hired in 1984 and has 20 years of service under the MichCon plan, 13 years of service under the new plan, and retires at age 58, the member is treated as having 33 years of service for the purpose of determining early retirement eligibility and eligibility for any supplement. Therefore, at age 58 and 33 years of service, the mem-

ber is eligible for an unreduced pension benefit under the new plan, an age 58 reduced benefit under the MichCon plan, and a pro-rated supplement under both the new plan equal to 13/33 of the full supplement and under the MichCon plan equal to 20/33 of the full supplement. Additionally, since the member in this example hired prior to 1995, the member will receive COLA on his pre-2005 accrued benefit. All new hires into the Local 223 Gas Division beginning January 1, 2005 would participate under the Local 223 Trade and OPT pension plan provisions.

Early Retirement Reduction Factor — The Company subsidizes the reduction factor used to determine pensions for employees who retire under age 62. Employees retiring between 55 and 62 will have their pension reduced by 5% per year. True actuarial reduction factors will be used for retirements prior to age 55 and combined with the subsidized rate to form a blended rate.

Early Retirement Date — You may retire anytime after your 55th birthday, provided your age (as of your last birthday) plus your Years of Credited Service (as of the last anniversary of your employment commencement date) total at least 70. If you want to retire at age 60, you must have at least 10 Years of Credited Service. You may retire earlier than your 55th birthday if you have at least 30 Years of Credited Service. If you retire early, you may choose to have your pension payments begin immediately on your 65th birthday or on the first of any month between these dates. If you choose to have payments begin at age 62 or later, you will receive a benefit figured the same way as the normal retirement benefit based on your Years of Credited Service and final average monthly earnings as of the day you retired. Payments will be smaller than if you had worked until your normal retirement date.

Normal Retirement Date — Your Normal Retirement Age under the Retirement Plan is 65. You will be eligible for a Normal Retirement Benefit on your Normal Retirement Date - the first of the month that falls on or follows your 65th birthday.

Normal Retirement Benefit — Under the Retirement Plan, the amount you will receive each month as a Normal Retirement Benefit depends on several factors: (1) your Final Average Monthly Earnings, or FAME (see below). Note that FAME includes shift premiums and sales commissions, but not overtime or premium pay; (2) your Years of Credited Service; (3) the

Covered Compensation limit - each year the IRS determines the maximum amount of earnings on which Social Security taxes and benefits are paid. This is called the taxable wage base. Covered compensation is the average of taxable wage bases for the 35-year period ending with the year you reach your Social Security normal retirement age. The average changes each year; and (4) your monthly annuity benefit, if any, under any other pension plan of the Company. Your monthly normal retirement benefit is calculated according to the following formula:

Step 1. 1.33% X Final Average
Monthly Earnings X Years of
Credited Service

(Final Average Monthly Earnings (FAME) is the highest average of your monthly earnings for the best 60 consecutive months in the last 15 years prior to your retirement or termination date. Normally, this is your last 60 months of work.)

Step 2.	PLUS 0.5% X (Final Average Monthly Earnings – Covered Compensation) X Years of Credited Service (up to a maximum of 35 years)
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Step 3.	PLUS The amount of your monthly benefit, if any, payable under any other pension plan of the Company or an affiliated company.
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The normal retirement benefit described above is the amount you would receive under a Single Life Annuity - that is, monthly payments for life that end when you die, with no payments to a beneficiary after your death. If you are married, or if you choose some other way to receive your benefits, the amount you will receive will be somewhat less, to account for payments after your death to your spouse or other beneficiary.

Forms of Pension Payment

- (i) Standard Forms (Automatic unless you elect otherwise, with spousal consent, if applicable)

- (a) Single Life Annuity: If you are not married at the time you retire, you will receive a pension for the rest of your lifetime only, with no survivor payments at death.
 - (b) 50% Joint and Survivor Annuity: If you are married when you retire, you will receive a 50% Joint and Survivor Annuity. You will receive a reduced monthly pension as long as you and your spouse both live. If your spouse dies, your benefit increases to the unreduced amount. If you die, your spouse receives 50% of your reduced monthly pension. Reductions are based on your age and your spouse's age at the time of your retirement.
- (ii) Alternate Forms (Spousal consent required if married)
- (a) Single Life: Monthly payments for the rest of your lifetime with no survivor benefits at death.
 - (b) Life Annuity with 10 Years Certain: You will receive reduced monthly benefits for your lifetime. If you die prior to receiving 120 payments, payment will continue to named beneficiary until 120 payments are made.
 - (c) Joint and Survivor Annuity {50% or 100%}: You will receive adjusted monthly benefits for life. If your spouse is your beneficiary and predeceases you, your benefit will increase to the Single Life annuity amount. When you die, 100% or 50% of your benefit amount will be continued to your beneficiary for life.
 - (d) Joint and Survivor Annuity with 10 Years Certain {50% or 100%}: You will receive adjusted monthly benefits for life. If your spouse is your beneficiary and predeceases you, your benefit increases to the Single Life annuity amount. When you die, 100% or 50% of your benefit amount will be continued to your beneficiary for life. If both you and your spouse die before 120 payments are made, monthly benefits will continue to the next named beneficiary until 120 payments are made.

- (e) Effective January 1, 2009, an optional 75% Joint & Survivor Annuity payment option is added from which a married participant may select. Under the optional 75% Joint & Survivor Annuity payment option, the surviving spouse will receive 75% of the reduced pension the participant was receiving prior to the participant's death. The optional 75% Joint and Survivor Annuity will be the actuarial equivalent to the life annuity option; will not include a pop-up feature; and will have no impact on the active death benefit.

- (f) **Lump Sum:** Retirees can elect to receive up to 70%, in 10% increments, of their pension benefit in a lump sum payment. The minimum amount of any lump sum is 10%.

Minimum Pension Annuity — Effective January 1, 2001, all existing retirees who retired with 30 years of credited service or more will receive a minimum total pension benefit of \$450 per month.

Lifetime Annuity — Employees who were at least age 55 on December 4, 1988 and who attained at least 30 years of credited service before December 1, 1991 will receive a lifetime annuity of \$50.00 per month starting at age 62 if the employee retires prior to age 62, or at the time of retirement if the employee retires after age 62.

Termination Before Retirement — Employees terminating the Company with a vested pension benefit may elect to receive either an immediate 100% lump sum payment, immediate monthly annuity payments or a deferred monthly annuity.

G.A.T.T. Rates

Termination Before Retirement — Effective January 1, 2000, if you leave the Company after you become vested in the Retirement Plan and choose to receive your pension in the form of a 100% immediate lump sum payment, the actuarial equivalence factors used to determine lump sum payments will be based on the G.A.T.T. (General Agreement on Tariffs and Trade, part of the Retirement Protection Act of 1994) rates in effect for that plan year. Prior to January 1, 2000, PBGC rates will be used.

Normal and Early Retirements — This will confirm that we have agreed that for retirements effective January 1, 2000 and thereafter, the lump sum (10%-70%) calculation will be based upon the terms of the Retirement Protection Act of 1994 (Uruguay Round Agreements Act, Public Law 103, 405 G.A.T.T.) and the G.A.T.T. rates in effect for that plan year. Prior to January 1, 2000, PBGC rates will be used.

Cost of Living Increases — Regular full-time and regular part-time employees on the active payroll as of December 31, 1994 are eligible to receive annual cost of living adjustments on their pension benefits earned through December 31, 2004. Employees hired on or after January 1, 1995 are not eligible for cost of living adjustments on their pension benefits.

Years of Credited Service — The amount you will receive each month after you retire is based in part on the Years of Credited Service you complete with the Company. Except as set forth below, before January 1, 1975 your Years of Credited Service were counted as your total years of employment with the Company. Until July 1, 1963, participation in the plan was voluntary. If you started working for the Company before that time and you chose not to join the plan on the earliest date that you were eligible to do so, then you are credited only with one Year of Credited Service for the period between your first day of work and the day you did join the plan. Since January 1, 1975, you are credited with a Year of Credited Service for each 12 month period (beginning on your first day of work) during which you completed at least 2,080 Hours of Service. If you complete at least 1,000 but less than 2,080 Hours of Service in any 12 month period (beginning on your first day of work), you will get credit for a partial Year of Credited Service. The partial year is based on a fraction equal to (Your Hours of Service) (2,080). Normally, you will get a partial Year of Credited Service only if you work part-time or you leave the Company.

Years of Service for Vesting — Your Years of Credited Service also help determine when you become vested in your benefit - that is, when you will have a right to a pension whether or not you stay with the Company until you retire. Since January 1, 1975, your Years of Service for Vesting have been figured differently from your Years of Credited Service for determining the amount of your pension. To earn a Year of Service for Vesting, you must complete at least 1,000 hours of service during any 12 month period

that begins on your first day of employment with the Company or any anniversary thereof. You are 100% vested in the Retirement Plan after completion of five Years of Vesting Service.

Break in Service — Under the Retirement Plan, if you temporarily leave the Company before you have completed at least five Years of Service, you may have a break in service. This will happen if you complete less than 501 Hours of Service in any 12-month period beginning on your employment commencement date or any anniversary thereof. If you have a break in service, you may lose credit for the Years of Credited Service and the Years of Service for Vesting you built up before the Break. If the Break is for more than five years and is longer than the Years of Service you completed before the Break, you will lose credit for those previous years. You will have to begin building up Years of Credited Service and Years of Service for Vesting as though you were a new employee. If your Break is for less than five years or is shorter than your previous Years of Credited Service, you will be able to get back credit for your previous years after you return to the Company and complete one more Year of Credited Service.

NOTE: Layoff, sick leave, authorized leave of absence, other authorized absence that lasts 30 days or less, and military service during periods of national emergency are not considered termination of your employment. You keep all benefits under the Retirement Plan if you return to work from these leaves within a specified period of time.

Disability Provision — If you become disabled, you may be eligible for a special retirement benefit under the Retirement Plan. You will be eligible if you become totally and permanently non-occupationally disabled before the age of 65 and you have at least 5 Years of Service when you become disabled. If you have an occupational disability (one caused by your employment with the Company), you will be eligible for this benefit even if you have not completed 5 Years of Service. Your Disability Retirement Benefit is figured according to a special formula based on, among other factors, your Years of Service and Final Average Monthly Earnings at the time you become disabled. For an occupational disability, there is a minimum amount you will receive at least 20% of your average total monthly earnings in the five years before your disability began. If you have less than five Years of Service, your average total monthly earnings while you were employed will be used. Your Disability Retirement payments will continue until you die,

reach age 65, or recover, whichever occurs first. At age 65, your pension will be changed to a Normal Retirement Benefit for total and permanent disability under the Retirement Plan. Note: These Disability Provisions are applicable to all credited service, both pre and post 2005.

Surviving Spouse Annuity Benefit — The Company has adopted a Surviving Spouse Annuity benefit applicable to all active employees. An eligible widow or widower will receive a lifetime monthly annuity equal to 20% of the deceased employee's Primary Monthly Earnings at death.

Additionally, effective January 1, 1998, each dependent child, to a maximum of four children, will receive a monthly annuity equal to 5% of the deceased employee's Primary Monthly Earnings, payable until the attainment of age 23 for each dependent child. This benefit is only available if the employee has satisfied the eligibility requirements for participation in the Michigan Consolidated Gas Company Retirement Plan for Employees Covered by Collective Bargaining Agreements. The Company has the right to amend, alter, or discontinue the Surviving Spouse Annuity benefit without the consent of the Union, provided that such amendment, alteration or discontinuance shall not operate to reduce the benefit level.

Cost of Living Increases — Surviving Spouses — Surviving spouses of regular full-time and regular part-time employees on the active payroll as of December 31, 1994 will be eligible to receive cost of living adjustments on their pension benefits, for benefits earned prior to January 1, 2005, on an annual basis in accordance with the terms of the Michigan Consolidated Gas Company Retirement Plan for Employees Covered by Collective Bargaining Agreements. Surviving spouses of employees hired on or after January 1, 1995 are not eligible for cost of living adjustments on their pension benefit.

(The following provisions apply to all employees in the Local 223 Gas Division Transmission and Storage Operations department.)

- a. For service accrued on or after January 1, 2005, see Section 10.2 of the Trade and OPT Agreement and subsections b. and c. of this section.
- b. If an employee incurs a break-in-service (an anniversary year with less than 501 hours of employment) and is reemployed before a one-year break, the employee's prior years of vesting service and credited serv-

ice will be immediately restored. If the employee has a one year break-in-service and returns to work for the Company, the service the employee earned before the break will be restored if the employee completes at least 1,000 hours of service in any anniversary year following reemployment, and the employee was either (1) vested before the break or (2) was not vested before the break but the length of the break was less than five years.

- c. The pension benefit for an employee who rehires after he or she has begun to receive his or her pension benefit will be recalculated upon subsequent termination. The pension benefit that such employee subsequently is entitled to receive will be the greater of (1) the pension benefit based on the plan's provisions in effect at his or her subsequent retirement or termination date using all pay and aggregated service reduced by the actuarial equivalent of any pension benefits previously paid or (2) the pension benefit to which he or she was entitled to receive at his or her initial retirement or termination date.
- d. For service accrued prior to January 1, 2005, see Section 6 of the Gas Division Addendum and subsection e. of this paragraph.
- e. Effective January 1, 2005, the 66-2/3% joint and survivor annuity payment option, both with and without 10 years certain, will be eliminated for service accrued prior to January 1, 2005.

7. Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America — The benefits described herein apply to Local 223 Gas Division employees hired prior to August 3, 2004 and, except as otherwise modified herein, to Local 223 T&SO employees hired prior to November 1, 2004.

The Company has made provisions for its full-time employees, regardless of age, to enroll in the Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America (Plan) immediately upon hire. Following are the major provisions of the Plan:

(a) Effective with the first payroll period in August 2004 for Local 223 Gas Division employees and the first payroll period in November 2004 for Local 223 T&SO employees, the Company will match the employee's contributions in accordance with the following schedule:

<u>Company Match</u> <u>Service</u> <u>(Percentage)</u>	<u>Years of Completed</u>
4%	0.5 through 9
5%	More than 9 through 23
6%	More than 23

Deductions will be made bi-weekly from the employee's paycheck each payroll.

(b) Effective with the first payroll period in June 2006, the Company will match the employee's contributions in accordance with the following schedule:

<u>Company Match</u> <u>Service</u> <u>(Percentage)</u>	<u>Years of Completed</u>
5%	5 through 23
6%	More than 23

(c) The Company's matching contribution shall be based on the employee's Eligible Compensation earned. In no event shall the Company's matching contribution exceed the employee contribution except in the case of an employee on workers' compensation, in which case the Company will make the matching contribution up to the allowable percentage, based on the employee's Eligible Compensation, years of service and the employee's elected contribution level as in effect during the employee's last period of active service, provided that the employee has been on workers' compensation for at least 40 continuous hours.

- (d) The employee may direct his or her contributions to be invested in any fund available in the Plan or the DTE Energy Stock Fund (or successor Employer stock fund), none of which guarantee any return on investments; or a fixed income fund that has fixed interest rates or any combination of these funds.
- (e) Effective January 1, 2001, 100% of the Company's matching contribution shall be invested in DTE Energy stock or successor Employer stock. The employee may change the investment direction of the Company match on a daily basis. For T&SO department employees only, the Company will direct 100% of the Company match in DTE Energy stock.
- (f) For new participants, effective August 3, 2004 for Local 223 Gas Division employees and November 1, 2004 for Local 223 T&SO employees, distribution of both the employee contributions and Company contributions, according to the following schedule, will be made upon retirement, death, disability retirement or employment termination.

Years of Service	Percent Vested in Company Contributions
2	20%
3	40%
4	60%
5	100%

If employment termination occurs before 5 years of employment, the employee will only receive distribution of his or her contributions, vested Company contributions, and earnings, if any. Effective July 1, 1995, retired and terminated employees may take partial distribution of their plan accounts four times per year.

- (g) Distribution of amounts invested in the DTE Energy Stock Fund or successor Employer stock will be in stock certificates or cash.

Distribution of amounts invested in the other funds generally will be a lump sum payment of cash.

- (h) The enrolled employee may change the investment direction of his or her Company matching contribution daily.
- (i) The employee may increase or decrease his or her allotments once each biweekly pay period.
- (j) An enrolled employee may withdraw up to 100% of his or her voluntary deduction account (after tax), not including interest, after 24 consecutive months of participation and each 24 months thereafter. The withdrawal is limited to the lesser of his or her contributions or the value of the employee's voluntary deductions. Effective January 1, 1998, an employee may withdraw 100% of his or her post -tax allotments and earnings without being suspended from Plan participation.
- (k) The cost of managing the various investment options in the Plan will be the responsibility of the participating employee. The Company will continue to pay 100% of the administrative costs of the Plan.
- (l) The Company expressly reserves the right to amend, modify, suspend or terminate the Plan by action of the Board of Directors, without consent of any Union, and at the Company's sole discretion. Any such modification or amendment of the Plan may be made retroactively by the Company, if necessary or appropriate, to qualify or maintain the qualification of the Plan as a Plan and trust meeting the requirements of ERISA, of the Internal Revenue Code, and of any other applicable provisions of the federal laws, and the regulations issued thereunder, as now in effect or hereafter adopted. Further, in the event of any interpretation, discrepancy, application, and/or decision in specific circumstance, the official text or terms of the plan document of the Plan will govern.
- (m) Longevity Recognition Award — Effective March 1, 1998, non-highly compensated employees who have attained their 30th or later anniversary with the Company on or before March 1, are eligible to

receive a special annual employer contribution to the Plan equal to the number of shares of DTE Energy stock or successor Employer stock which can be purchased with \$600, rounded to the nearest number of whole shares. These contributions are prospective only and no retroactive shares will be awarded for eligible anniversaries prior to March 1, 1998. The contribution will be made once a year within 30 days after March 1st to all eligible employees who are on the active payroll at the time of the contribution. The contribution will be made to the DTE Energy Restricted Stock Fund or successor Employer restricted stock fund. Plan accounts will be established for any employee who is not a participant in the Plan.

(The following provisions apply to all employees in the Local 223 Gas Division Transmission and Storage Operations department.)

- a. For employees hired on or after November 1, 2004, see Section 10.16 of the Trade and OPT Agreement and subsections c. and d. of this section.
- b. For employees hired prior to November 1, 2004, see Section 10 of the Gas Division Addendum and subsections c. and d. of this section.
- c. Effective January 1, 2008, 100% of the company's match will be in unrestricted DTE Energy stock, which may be redirected to other investments after one full calendar year.
- d. Loan Provisions.
 1. Effective November 1, 2004, an employee may have a maximum of 2 loans outstanding at any one time.
 2. Effective November 1, 2004, the interest rate on a plan loan will be the prime rate plus 1%. The rate will be updated monthly.
 3. The minimum loan amount is \$1,000.

4. The maximum term for general purpose loans is five years. The maximum term for residential loans is twenty-five years.

8. **Group Life Insurance** — Active employees, as part of the Flexible Benefits Plan, will be eligible for Basic Life insurance equal to 2 times annual base wage, fully paid by the Company. New employees will be eligible for this benefit the first of the month in which their second month anniversary occurs. In addition, each employee shall be eligible to purchase additional life insurance coverage up to 4-1/2 times base wage. Effective January 1, 2008, life insurance coverage for spouses of active employees will increase from a \$10,000 Company paid benefit to a \$20,000 Company paid benefit.

Effective January 1, 2008, for employees who retire on or after 10/5/07, the following provisions apply for retiree life insurance deductions:

- (1) Normal retirement at age 65. Life insurance will be continued on a reduced basis at Company expense after an employee retires under the Company retirement plan at age 65. The amount of coverage for the employee at that time will be 50 percent of the base amounts.

Thereafter it will be adjusted on succeeding retirement anniversary dates as follows:

Adjustment Date	% of Base Amount
(a) Two (2) years after retirement	45
(b) Four (4) years after retirement	40
(c) Six (6) years after retirement	35
(d) Eight (8) years after retirement	30
(e) Ten (10) years after retirement	25

The minimum amount will never be below \$25,000 for full time employees retiring under this contract.

- (2) Retirement before age 65. If the employee retires after age 55 but before age 65 and has had fifteen (15) or more years of service, the employee's coverage will continue on a reduced basis from the date of retirement as

described above for normal retirements. By making monthly premium contributions, however, an early retiree can keep his/her insurance at the level of 75 percent of his/her base amount for up to five (5) years or until age 65, whichever occurs first, at which time the bi-annual reductions will begin. Such monthly contributions would be in an amount arrived at by taking 60¢ per thousand dollars of insurance times 75 percent of his/her base amount less \$1,000.

(3) Retirement after age 65. If the employee retires after age 65, the amount of life insurance coverage will be reduced immediately to the amount the employee would have if retirement had occurred at age 65. Employees who are retiring may replace any of the coverage that is reduced or discontinued by converting to an individual policy (not term insurance).

9. Accidental Death and Dismemberment — Effective January 1, 2008 this will increase to two (2) times annual base wage fully paid by the Company. New employees will be eligible for this benefit on the first of the month in which their second month anniversary occurs. In addition, each employee shall be eligible to purchase additional AD&D coverage up to 4-1/2 times annual base wage, for a combined employee/employer paid maximum of 5 times annual base wage.

ARTICLE 14: MISCELLANEOUS

1. **Summer Employees** — Without any requirement of posting, the Company may hire summer employees in any starting job in Distribution Operations, Property Operation and Maintenance Departments, Transportation, and the Stock Department, provided that it notifies the Union of the proposed employment. Effective December 3, 2000, the pay rate for summer employees will be \$10.00 an hour for each year of the contract. This rate of pay shall remain consistent throughout the term of the contract. Incumbent summer employees returning from the previous year shall continue to receive the base rate of pay in effect at the expiration of their previous year assignment. No such employee shall remain a summer employee for longer than one hundred twenty (120) days. During this period, the employee shall not be eligible for any Company sponsored health care plan, Prescription Drug Co-Pay Plan, Surviving Spouse Annuity, Group Dental Plan, Group Life Insurance coverage, Accident and Sickness Benefit Plan, Holiday pay, Jury Duty pay or accrual of CTO time. Summer employees safety shoe and clothing allotments will be limited to one (1) pair of shoes and one (1) vest over the term of their employment unless otherwise approved by Management. Such employee shall retain all other benefits accorded employees hired on a regular basis. Upon completion of one hundred twenty (120) calendar days' employment, the employee shall become a regular employee.

- (a) The Company has the right to terminate summer employees with or without cause within one hundred twenty (120) calendar days after the date of original employment.

2. **Mutual Acknowledgement of Agreement** — The parties that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. It is understood that nothing in this Agreement shall be construed to prevent its modification by mutual consent.

3. Meter Reading Department Letter —

Performance Standards

All Service Consumption Technicians will be required to meet a minimum of 10% of the station average for two of the three standards every month.

- Percent of Meters Read
- Percent of CGI (can't get in)
- Reads per Man Day (Read Average)

Meter Readers must maintain two out of three metrics to achieve minimum performance.

Meter Readers must complete their route or work until the end of their shift before leaving the route and returning to the station (excludes driving time to the station).

Critical Success Factors

High agreement is obtained on the Performance Management metrics.

Performance is measured consistently for the entire Meter Reading organization.

Consistent methods are used to coach.

Routes are optimized.

Reporting is unified (standard) and process goals are defined.

Exception Guidelines

In the case of un-optimized routes, individual Performance Management metrics will be based on work assigned.

When less than a full day is worked, metrics will be based on time worked and the percent of meters read will be adjusted accordingly:

8 hrs.	100%
4 hrs.	50%
2 hrs.	25%

- Lost routes in the Handheld System will not be counted toward percentages

Percent of Meters Read

Percent of meters read is calculated by dividing total reads obtained by total reads assigned.

- The required level of performance, on a monthly basis, is to maintain a Percent of Meters Read no less than 10% below the station average.

CGI (Can't Get In)

Percent CGI is calculated by dividing the number of reads not obtained by the number of reads attempted.

- The required level of performance, on a monthly basis, is to maintain a Read Average no less than 10% below the station average.

Reads Per Man Day

Reads Per Man Day or Read Average is calculated by dividing the number of production meters obtained by the number of full or half days worked.

- The required level of performance, on a monthly basis, is to maintain a Read Average no less than 10% below the station average.

Performance Management Actions for Poor Performers

Review the route, conditions, etc.

Discuss all issues, concerns with employee supervisor and Union Representative.

Identify causes and reasons.

Make necessary corrections.

Poor performing Meter Readers will be expected to improve performance to meet our standards within thirty days or they will be placed on a performance improvement plan.

The Performance Improvement Plan outlined in the Company Employment Standards will be followed.

D. The wage progression rate for any new hires or transferees into the department after December 3, 2000, for the duration of this agreement shall be as follows: This provision replaces Article XVII at page 163 and page 184 (Classification of Wages (Actual Rates)) of the 1994 - 1997 Local #80 contract.

E.

<u>Pay Rate</u>	
<u>Service Consumption Technician</u>	
<u>Year</u>	<u>Hourly</u>
First Year	\$10.00
After First Year	\$12.00
After Two Years	\$12.50
After Three Years	\$13.00

Service Consumption Technician I and II classifications, formerly known as the Meter Reader I and II classifications, is hereby abolished, and the pay rate of employee(s) engaged in the work of the Service Consumption Technician, can be located in Article 7 of this addendum.

F. For the duration of this agreement, the following named incumbent Technicians shall have their hourly wage rate frozen at the rate of pay listed in Article 7 of this addendum:

Correa, Augusto	\$19.34	Watkins, Joe	\$19.34
Cross, Curtis	\$19.34	Popp, David	\$19.34
Cruz, Sr., Fernando	\$19.34	Pringle, Michele	\$19.34
Darin, James	\$19.34	Mumphord, Stacey	\$19.34
Davis, Curtis	\$19.34	Rahn, Bradley	\$19.50
Dennis, Herman	\$19.34	Eppes, Rickye	\$19.34
Robertson, Audrey	\$19.34	Evans, Cheryl	\$19.34
Robertson, Casey	\$19.34	Hicks, Weylin	\$19.34
Salanki, George	\$19.34	Hoskins, Lena	\$19.34
Taylor, Robert	\$19.34	Turner, Shamika	\$19.34
Yanchitis, Glenn	\$19.34	Watson, Kenneth	\$19.34

G. (1) All new hires into the MichCon's Meter Reading Department shall have the same benefit coverage as currently provided for under the Local 223 Gas Division Collective Bargaining Agreement or its successor agreements except as follows:

- A \$3,000 pension equity set aside in the pension plan and increased annually at the prime interest rate, on behalf of the thirty-one (31) Service Consumption Technicians whose pay rates were frozen on April 1, 1997, listed below.

Blair, Daryl
Bozzo, Maureen
Correa Jr., Augusto
Cross, Curtis
Cruz, Fernando
Darin, James
Davis, Curtis
Dent, Michale
Eppes, Rickye
Evans, Cheryl
Harris, David
Haymer, Janell
Hicks, Weylin
Hoskins, Lena
Huckleberry, Lynette
Jackson, Jean

Jones, Meredith
Payne III, Edward
Pochini, Stephen
Popp, David
Puryear, Jeffrey
Pringle, Michele
Rahn, Bradley
Richardson, Eric
Robertson, Audrey
Robertson, Casey
Taylor, Robert
Watkins, Joe
Watson, Kenneth
Woods, Ennis
Wright, Dwain
Yanchitis, Glenn

Employees that have transferred that are still eligible fore the \$3,000 equity set aside:

Bartwokiak, Robert
Carter, Michiko L.
Dely, Sandra M.
Dillon, Gerald A.
Ely, Brian E.
Fitzpatrick, Pernell S.
Greer, Richard C.
Heard, Randy R.
Hines, Marion L.
Mayhew, Gerald W.
Moore, Roger S.
Stovall, Yolanda

When an employee leaves the Meter Reading Department and goes to another department and classification, their eligibility to receive Company matches will be based on the provisions of the CBA.

- (2) The Company shall continue to have the right to assign mixed work to Service Consumption Technicians as agreed upon in the March 15, 1996 Mixed Work Agreement.

- (3) The Service Consumption Technicians will be required to report back to the station after the completion of their route/work shift. The applicable mileage rate will be paid as noted in the Collective Bargaining Agreement.
- (4) Service Consumption Technicians shall be eligible to participate in any incentive program opportunities negotiated with Local 223 Gas Division during the term of this agreement.

This guarantee in no way limits MichCon's right to terminate any named incumbent Service Consumption Technicians for disciplinary reasons; for poor performance or for any other reason provided for under the Local 223 Gas Division Bargaining Agreement or its successors.

Effective June 10, 2004, the parties reached agreement on a Department Incentive Program. The terms and conditions of said program are as follows:

100% of the savings generated by exceeding 600 reads per man day for a full quarter by all Local 223 Gas Division Meter Readers will be paid to Meter Readers on the Meter Reading Roll at the time of the payout. The payout will be calculated on reads using a benchmark of 560 reads per man-day.

Service Consumption Technician Layoff

Michigan Consolidated Gas Company and Local 223 Gas Division agree that if a layoff for lack of work within the Meter Reading Department takes place, departmental seniority will be the factor upon which the determination of layoff shall be based, with respect to those employees hired into the Meter Reading Department after September 26, 1997, as long as they remain in the Meter Reading Department. For layoffs for lack of work throughout the remainder of Local 223 Gas Division, the provisions of Article 12, paragraph (1), (Determination of Employee to be Laid off) of the 2000 – 2004 Local 80 contract, will be followed.

4. CLASSIFICATION OF WORK and WAGES FOREWORD

Michigan Consolidated Gas Company and Utility Workers Local 223 Gas Division united to formally describe to the various classifications of work in which the employees of the Company are engaged, to establish a base rate for each group and to place and maintain the employees in their proper classifications.

The following basic conditions of classification control shall be recognized as applying throughout the classifications:

1. **Physical Conditions:** Employees may be transferred to other work involving a reclassification if they are physically qualified, or they become physically unable to perform their present duties.
2. **Change in Classification:** A change in the employee's classification which requires a change in duties will be made only when there is a need and when the employee has given evidence of qualifying for the work.
3. **Listed Duties:** It is not practical to list in detail all of the duties normally assigned to each group, but those listed are typical, showing the general types of jobs, and it shall be understood that any allied duties are included.
4. **Assignment of Duties:** When the need arises, employees may be used on other types of work than that they are classified without affecting their classifications, unless, or until, the change becomes permanent.
5. **Transfers:** When an employee transferred is temporarily from one department to another, no change in classification will be made. When permanent transfers are made, the reclassification will be made at the time of the transfer.
6. **Date of Change:** Except as specifically provided in this Foreword with respect to Probationers and New Employees, classification changes will become effective on the beginning of the pay period following the completion of the qualifying period. When the employee is officially placed on advanced assignment to a higher classification, he or she will receive the rate of pay of the higher classification.
7. **Regularly Engaged:** The phrase Regularly Engaged shall be understood to mean that an employee normally is given work listed under the employee's classification when and if such work is required.

8. **Qualifications:** All employees shall possess a mechanical aptitude, clerical ability or such educational training as the needs for their particular jobs dictate and shall have those personal characteristics which will facilitate the satisfactory handling of the work. When employees are to be used on duties requiring a geographical knowledge of the city, their knowledge shall be considered a requisite for the classification. Only those employees who have demonstrated their ability to make contacts with the public favorable to the Company will be assigned to this class of work. Only those employees will be assigned to work requiring the operation of a motor vehicle who have demonstrated that they are competent and careful drivers and, if the work requires, able to qualify for a chauffeur's and/or commercial drivers (CDL) license. Employees shall be as neat and clean of person as the job will permit.

5. Grat New Service and Station Assistant

Grat/New Service Performance Measures

Management will establish individual business plans on an annual basis. For the first evaluation period covered under the Collective Bargaining Agreement, performance standards will be based on the following:

- Availability standard: employee maintenance of five hours daily, available to receive calls and talk with customers on the phone.
- Production standard: the Company and Union will meet to discuss and agree upon production standards based on percentage of team averages as they relate to the processing of orders which includes but is not limited to, new service installation orders, service alterations, service terminations and service reconnections.
- After the first evaluation period, the Company and Union will meet to discuss and agree upon new standards based on actual area statistics.

Grat/New Service Bidding

The language in Article 8 applies with the following pre-requisite criteria:

- High school diploma or equivalent.
- Proficient in windows-based software including Excel.
- If DTE Energy employee, proficient in CSB.
- Two years customer contact experience.

- Employee must satisfactorily perform the work in this classification for a total of 180 days.

Analysts for this position will be filled in the following order:

1. Distribution General Clerk Dispatcher
2. Station Assistant II
3. Credit and Collection
4. Posted in accordance to contract in Local 223 Gas Division

Furthermore, employees in the above referenced classifications must meet all pre-requisite criteria in their entirety to be eligible for the position. The bidding pre-requisite criteria will also apply to Loans to the Grat/New Service Team.

Loans to Grat/New Service

The language in Article 7 applies with the following pre-requisite criteria:

- High school diploma or equivalent.
- Proficient in windows-based software including Excel and CSB.
- Two years customer contact experience.
- If internal candidate, current rating of “Model” Meets Expectations.
- One year as a Distribution General Clerk Dispatcher, Station Assistant or in the Credit and Collection department.

Grat/New Service Unit Scheduling

The language in Article 9 will apply with the addition of the following:

Winter Shifts

7:30 – 4:00

8:00 – 4:30

Summer Shifts

7:00 – 3:30

7:30 – 4:00

8:00 – 4:30

4/10 Management discretion

Shift assignments will be based on a bidding process performed twice a year. In January, analysts will be solicited for their choice of shift assignment for the summer schedule (May to September). In June, analysts will be solicited for their choice of shift assignment for the winter schedule (September to May).

Grat/New Service Seniority

The Grat/New Service team will be given the Distribution department seniority credit.

Grat/New Service Training

Grat/New Service will set up a training committee in accordance with the needs of the area. In addition, Management and the Union will identify individuals from customer service to work with in regards to the function of the new service team. The intent is to provide better communication within the calling center and business offices on what type of work is gas new service, reconnect, alteration and demolition work.

Grat/New Service Department Work Rules

Major Work Rules

For definitional purposes, the following infractions will be considered Major Work Rule violations, in addition to those already listed in the Company Employment Standards. This list is not all-inclusive.

- Processing transactions to the employee's own account, or to the accounts of relatives or friends.
- Deliberately hanging up, disconnecting, or placing a customer on hold without informing the customer.
- Shortages.
- Any single shortage of one hundred-fifty dollars (\$150) or more which is not reconciled.
- Any series of shortages which total one hundred-fifty dollars (\$150) or more over a six-month period.
- Avoiding, or aiding a customer in avoiding a debt owed to the Company, i.e. name switching or use of an alias to obtain gas service.
- Processing a transaction with a customer with the intent to defraud the Company. Examples include waiving or altering a charge, allowances, lowering budget calculations, excessive or unreasonable payment

agreements, bill cancellations, name changes, and placing disputes on accounts.

- Intentionally damaging Company equipment or property.

Minor Work Rules

The following infractions will be considered Minor Work Rule violations, unless the circumstances of the violation are sufficiently serious to warrant treatment as a Major Work Rule violation. This list is not all-inclusive.

Notification procedure when an employee is going to be absent from work:

- If an employee is going to be absent, the employee must notify Management via the appropriate reporting mechanism (Leader, TST, or if absence due to illness, the support agency) by the start of his/her shift. Leaving a voicemail message is not acceptable. The appropriate reporting authority must be timely notified if the absence is going to continue more than one day. Grat/New Service will utilize the call-in procedure outlined in April 2000.

Proper use of the telephone for personal calls:

- Personal phone calls may be made or received from the employee's workstation under the following conditions only: break or lunch, before or after shifts, emergency.
- Long distance personal calls must be charged to the employee's home telephone number or personal credit card. In situations where this is not possible, the employee should advise his/her Leader Technical Support. The employee will be expected to make a reimbursement of the charge to MichCon.
- Customers should not be put on hold to answer the employee's second line for personal calls.

Professional work performance:

- When leaving the work area, other than for break or lunch or Misc. AUX code 9, the employee is to notify their Leader Technical Support.
- Any employee who collects monies on behalf of the Company should immediately process it.
- After normal business hours, all monies and related paperwork are to be stored in the safe.

- Grat/New Service will follow current procedures as outlined in the departmental process procedures.
- Grat/New Service will store all monies and related paperwork in a secured area.

Use of company property:

- Unauthorized use and/or possession of keys to offices or secured areas are prohibited.
- Employees must password protect terminals when leaving the workstation.
- Use of another employee's password is prohibited.
- Employees must log off CIS and turn off their PC at the end of the work shift, unless otherwise authorized by their formal leader.
- At the start of the shift, employees must log on the tool bar as soon as it is available. Any exceptions need approval from the Leader Technical Support.

Miscellaneous:

- An employee must not accept any checks from a customer with a Bad Check account type, unless mail, drop box, or with supervisor approval.
- Divulging confidential information to a person unauthorized to receive it is prohibited.

Grat/New Service Overtime Agreement

Management will request overtime to be worked by sending e-mail to all Analysts indicating the type of work needed on overtime.

Overtime Groups

Utility Workers Union Local 223 Gas Division Senior Analyst will prepare a list of all Analysts showing their overtime group assignments and qualifications. Analysts of limited duty due to physical condition shall be so designated and must understand that they will be given overtime assignments only if the job to be done is consistent with their physical condition and duties normally assigned to them. Overtime assignments within the Grat/New Service classification will be selected on a basis of the low overtime Analyst on the list.

Overtime List

One continuous overtime list shall be kept daily by a Local 223 Gas Division Senior Analyst and approved by Management. The overtime list shall start with zero hours at the beginning of each year. All Analysts will be canvassed prior to December 31 for their choice of remaining on the overtime list or being removed. Analysts wishing to remain on the overtime list or to be removed must do so for one (1) calendar year. Overtime lists shall be made on the first work day of each week and shall be sent via e-mail and shall be updated each normal workday. The lists will be used from Friday end of shift to Monday start of shift without altering the Analyst position because of overtime worked. Accumulated hours will be determined from available reports and clerical errors will not be used as the basis of a by-pass.

Refusal Time

Refused overtime will be posted as offered actual time worked. An Analyst shall not be charged with refusal time on the last scheduled day before the Analyst begins a vacation. An Analyst will only be charged with the time for one refusal within a 24-hour period.

If all Analysts in an overtime group refuse the overtime offered, then the low overtime Analyst in the overtime group may be required to work. Officers, Representatives and Executive Board members of Local 223 Gas Division will be excused from working overtime on the night of a meeting which has been called by Union Officers provided Management is notified prior to the commencement of their shift on the day of the meeting.

By-Pass Time

In the event by-pass time is allowed, the Analyst will be paid the number of hours at the straight time rate. The Analyst's hours to be added to their accumulated hours will be the number of hours divided by 1.5, rounded off to the nearest half hour. The addition to the Analyst's overtime hours shall be done on the day that the Analyst, or the Analyst's Union Representative is notified that the by-pass payment is to be made.

Loaned or Transferred Analysts/Reassignment to Overtime List

Analysts on loan to another department or division and whose working hours are shown on the borrowing departments work week schedule are not eligible for overtime and will be omitted from the overtime list. An Analyst whose working hours are shown on the work week schedule and are loaned to another department are eligible for regular assigned overtime, provided that they are at the same home station and are available at the time of the assignment of overtime. They are also eligible to be called from home or to be contacted for non-scheduled workday assignment, provided that they have not worked or refused chargeable overtime that week in the borrowing department.

Absence Time

When Analysts return from any absence greater than 5 weeks, the average hours accumulated by the Analyst's group during the Analyst's absence after the first five weeks will be added to the employee's actual hours. If the Analyst's accumulated overtime is higher than the average of the Analyst's working group, the Analyst's actual hours will be used.

Non-ability to work overtime will not negatively affect an Analyst's performance evaluation.

Grat/New Service Letter of Agreement

Combining Gas and Electric Work

The Company acknowledges that at this time (February 2004) there are no active efforts underway to combine the handling of gas and electric new service line requests. If during the course of the contract, such opportunity arises, the Company will negotiate such work with the Union.

STATION ASSISTANTS

Station Assistant I and II Performance Measures

Station Management will establish individual business plans for their Station Assistants independently from other Stations. Management and the Union will meet annually to discuss and agree upon measures.

Station Assistants I and II Seniority

If the Union agrees to move the Station Assistants to the Field Service department in the Union, then Management needs to be notified of what department seniority they will be given.

Station Assistant I and II Unit Scheduling

Scheduling will be determined per the Station based on each Station's needs.

Station Assistant Replacement Criteria

Replacement for the Station Assistant when needed will come from other Station Assistants, Field-Field Service General Clerk Dispatcher or the Grat/New Service team at Management's discretion based on workload.

Station Assistant Vacation

CTO will be handled in accordance with Article 10 as stated in the master agreement.

Station Assistant Pay Lines

Employee(s) not currently at the June 2003 max (2) rate of pay (\$21.98) will be brought to \$19.00 an hour plus the negotiated general increase. In addition, the employee(s) will receive an increase of \$1.00 per year plus negotiated general increases until such time they have reached the negotiated classified rate for their classification.

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January							February							March							April						
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2012

January							February							March							April						
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22	23	24	25	26	27	28	19	20	21	22	23	24	25	18	19	20	21	22	23	24	22	23	24	25	26	27	28
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May							June							July							August						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4							1	2										1	2	3	4
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31					26	27	28	29	30	31	
September							October							November							December						
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9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22
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2013

January	February	March	April
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NOTES

Mission Statement

The mission of UWUA Local 223 is to provide its members with a voice in the workplace and in the larger community.

Our goals are to protect and improve the wages, benefits and standard of living of our members and their families, to ensure a safe and healthy workplace, to affirm the dignity and value of our members and the work they perform, and to create a more just and secure workplace and society.

We accomplish our mission by:

- the active involvement of our members;
- effective bargaining and representation at the workplace;
- active participation in the political and legislative process;
- the active pursuit of alliances with other unions and organizations who share our concerns; and
- organizing to increase the strength and influence of the union as a whole.

Our work is guided by our belief in the right of all workers to participate in decisions which affect them and to be treated with dignity, fairness and respect.

Through our advocacy for the humane and effective use of human resources, we enhance the lives of all employees and the performance of the company. We believe that our strength depends upon the democratic participation of all members and our willingness to stand united for our mutual gain.

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